

Entered 02/28/05  
JC

# Indiana Housing Finance Authority

## 2005 Rental Housing Finance Application

- ☒ Application for **"Conditional"** Reservation of Rental Housing Financing
- ☐ Application for **"Final"** Allocation of Rental Housing Financing

Date: 2/21/2005

Development Name: Dalton Apartments

Development City: Gary, Indiana

Development County: Lake County

Application Fee: \$1,500

Building Identification Number (BIN): \_\_\_\_\_

Application Number (IHFA use only) \_\_\_\_\_

Applicable Percentage (IHFA use only) \_\_\_\_\_

**IN-05-00700**

## INDIANA HOUSING FINANCE AUTHORITY

### Rental Housing Finance Application

- ☒ Application for "Conditional" Reservation of Rental Housing Financing
- ☐ Application for "Final" Allocation of Rental Housing Financing

This Application for Rental Housing Financing (this "Application") is provided by the Indiana Housing Finance Authority (sometimes referred to herein as "IHFA" or the "Authority"), pursuant to Section 42 of the Internal Revenue Code and rules and regulations promulgated thereunder, as amended (the "Code"), and the current Qualified Allocation Plan, as adopted by the Authority and duly approved by the Governor of the State of Indiana (the "Allocation Plan"). BEFORE COMPLETING THIS APPLICATION, YOU SHOULD REVIEW THE ALLOCATION PLAN TO DETERMINE WHETHER YOUR PROPOSED DEVELOPMENT MEETS THE THRESHOLD CRITERIA REQUIRED BY THE AUTHORITY, AS SET FORTH IN THE ALLOCATION PLAN. Applications which fail to meet the minimum criteria will not be eligible for funding.

### APPLICATION PACKAGE SUBMISSION GUIDELINES

- 1 No Application will be considered without the Applicant's submission of a brief narrative summary (limit 3 pages) describing the need for the Development within the community and the Development itself. This narrative should give an accurate depiction of how this development will benefit the particular community. Generally, the summary should include the following points:

- Development and unit description
- Amenities in and around the Development
- Area's needs that the Development will help most
- Community support and/or opposition for the Development
- The constituency served by the Development
- Development quality
- Development location
- Effective use of resources
- Unique features
- Services to be offered

- 2 Your assistance in organizing your submissions in the following order will facilitate the review of your Application for a "Conditional" Reservation of Rental Housing Financing. Documentation included with the Application must be submitted in the order set forth on the Development Submission Checklist. Documentation for each applicable tabbed section of the application for which it applies should be placed in a legal size 1/3 tab cut manila file folder. Each file folder should be labeled with typewritten 1/3 cut file folder labels accordingly. A template to use to print labels for manila file folders is located in Schedule H. File folders should then be inserted in a 14 3/4"x 9 1/2" red file pocket with 5 1/4" expansion. See Schedule H.
- 3 The Application form must be signed by the Applicant, duly notarized and submitted in triplicate originals [Form A (the application) only - DO NOT SUBMIT TRIPLICATE ORIGINALS OF ANY OTHER PAGES], together with the required application fee. Inclusion of the items on the Development Submission Checklist in support of the Application is strongly encouraged and will likely impact the number of points for which you are eligible under IHFA's evaluation system of ranking applications, and may assist IHFA in its determination of the appropriate amount of credits that it may reserve for the development.
- 4 Applicants applying for IHFA HOME Funds and/or Trust Fund loan must submit each of the following in addition to the requirements noted above:
  - One (1) copy of the Rental Housing Finance Application (Application only)
  - One (1) **original** of the Trust Fund and/or HOME Funds Supplement application
  - Five (5) copies of the Trust Fund and/or HOME Funds Supplement application

Threshold Item	Document Submitted Yes/No	Document Location (Tab)	Notes/Issues
<b>1. Development Feasibility</b>			
<b>Document Submitted:</b>		Tab A	
~ Application	Yes		
~ Third party documentation of sources, costs & uses of funds	Yes		
~ 15 Yr. pro-forma (Housing, Commercial, combined)	Yes		
~ Other (List Below):			
<b>2. Highest locally elected official notified of the development</b>			
<b>Documents Submitted:</b>		Tab C	
~ Form R	YES		
~ Copy of letter/information submitted	YES		
~ Returned Receipt from the certified mail	YES		
~ Written response from the local official	Yes		
~ Other (List Below):			
<b>3. Not-for-profit competing in any set-aside</b>			
<b>Document Submitted:</b>		Tab B	
~ Signed Board Resolution by the Not-for-profit's Board of Directors	N/A		
<b>4. Market Study prepared by a disinterested third party showing sufficient demand</b>	Yes		
<b>Document Submitted by market analyst to IHFA</b>		Tab M	
<b>5. Applicant, Owner and/or Developer has not received \$750,000 or more in annual RHTCs and/or has successfully completed at least 1 Multi-family development in Indiana (issuance of IRS Form 8609)</b>			
<b>Document(s) Submitted:</b>		Tab L	
~ List of all tax credit Developments and participation in the Development (Applicant, Owner & Developer)	YES		
<b>6. Costs expended to date are less than 50% of total development costs.</b>			
<b>Document Submitted:</b>		Tab A	
~ Application	Yes		
<b>7. Applicant, Developer, management agent, other development team members demonstrate financial, Developmental, and managerial capabilities to complete and maintain property through compliance period.</b>			
<b>Document(s) Submitted:</b>		Tab D	
~ Financial Statements of GP or principals	Yes		
~ Tax Returns of GP or principals	Yes		
~ Resume of Developer	Yes		
~ Resume of Management Agent	Yes		
~ Other (List Below):			
Financial Consultant	Yes		
<b>8. Completed Application with Application Fee</b>			
<b>Document(s) Submitted:</b>		Tab A	
~ Application (Form A)	Yes		
~ Narrative Summary	Yes		
~ Check for appropriate Application Fee	Yes		

<b>9. Evidence of Site Control</b>			
<b>Document(s) Submitted:</b>			Tab E
~ Purchase Agreement	NO		
~ Title commitment	NO		
~ Warranty Deed	Yes		
~ Long Term Lease	NO		
~ Option	NO		
~ Attorney's opinion	NO		
~ Adopted Resolution of the applicable commission	NO		
~ Letter from the applicable governmental agency	NO		
~ Other (List Below):	Yes		
Letter all properties have been purchased			
<b>10. Development Site Information</b>			
<b>Documents Submitted:</b>			Tab F
~ Schematics	Yes		
~ Perimeter Survey	Yes		
~ Site plan (showing flood plain and/or wetlands)	Yes		
~ Floor plans	Yes		
<b>11. Lender Letter of Interest</b>			
<ul style="list-style-type: none"> <li>- lender has reviewed the same application submitted or to be submitted by the Applicant to the Authority to which such letter of interest related;</li> <li>- lender expressly acknowledges that the development will be subject specifically to the "40-60" or "20-50" set-asides, and extended use restriction elections made by the Applicant</li> <li>- such lender has reviewed the Minimum Underwriting Criteria set forth in this Allocation Plan; and</li> <li>- any other special use restriction elections made by the Applicant, which give rise to additional points in this Allocation Plan.</li> <li>- the terms of the loan including loan amount, interest rate, and term of the loan</li> </ul>			
<b>Document Submitted:</b>			Tab G
~ Lender Letter of Interest	Yes		
<b>12. Financing Not Yet Applied For</b>			
<b>Document Submitted:</b>			Tab G
~ Certification of eligibility from Applicant	Yes		
<b>13. Equity Letter of Interest</b>			
<ul style="list-style-type: none"> <li>- Such investor has reviewed the same application and market study submitted or to be submitted by the Applicant to the Authority in support of the Rental Housing Financing for the Development to which such letter of interest relates</li> <li>- Such investor expressly acknowledges that the development will be subject specifically to the "40-60" or "20-50" set-asides, and extended use restriction elections made by the Applicant</li> <li>- such investor has reviewed the Minimum Underwriting Criteria set forth in this Allocation Plan; and</li> <li>- any other special use restriction elections made by the Applicant, which give rise to additional points in this Allocation Plan.</li> </ul>			
<b>Document Submitted:</b>			Tab H
~ Equity Letter of Interest	Yes		
<b>14. Funding/Financing already awarded</b>			
<b>Document Submitted:</b>			Tab G
~ Copy of Award Letter	Yes		

15. Public and Private facilities are or will be accessible prior to completion			
<b>Document Submitted:</b>		Tab I	
~ Map showing public and private facilities in relation to the development	Yes		
16. Color photographs of the existing site and structures			
<b>Document Submitted:</b>		Tab I	
~ Photographs of the site	Yes		
17. Zoning			
<b>Document Submitted:</b>		Tab J	
~ Letter from zoning authority stating site is properly zoned (without need for additional variance)	yes		
~ Copy of all approved variances	N/A		
~ PUD documentation (if applicable)	N/A		
18. Utility Availability to Site			
<b>Document(s) Submitted from appropriate entity:</b>		Tab K	
~ Water	YES		
~ Sewer	YES		
~ Gas	YES		
~ Electric	YES		
~ Current Utility Bills	N/A		
19. Compliance Monitoring and Evidence of Compliance with other Program Requirements			
<b>Documents Submitted:</b>		Tab L	
~ All development team members with an ownership interest or material participation in any affordable housing Development must disclose any non-compliance issues and/or loan defaults with all Authority programs.	Yes		
~ Affidavit from any principal of the GP and each development team member disclosing his/her interest in and affiliation with the proposed Development	Yes		
20. Characteristics of the Site are suitable for the construction, rehabilitation and operation of the proposed Development - No Development will be considered if any buildings are or will be located in a 100-year flood plain at the placed in service date or on a site which has unresolvable wetland problems or contains hazardous substances or the like that cannot be mitigated.			
<b>Documents Submitted:</b>		Tab F	
~ Completed Environmental Phase I (addresses both flood plain and wetlands.)	Yes		
~ FEMA conditional letter of reclassification	NO		
~ Mitigation plan including financing plan	NO		
~ Documentation from Civil Engineer	NO		
~ Resume for Civil Engineer	NO		
~ FEMA map			
21. Affirmative Fair Housing Marketing Plan			
<b>Document Submitted:</b>		Tab N	
~ Form K	Yes		
22. Federal Fair Housing Act and Indiana Handicapped Accessibility Code			
<b>Document Submitted:</b>		Tab N	
~ Fair Housing Act Accessibility Checklist - Form E	Yes		

23. Pre-1978 Developments (i.e. buildings) Proof of Compliance with the Lead Based Paint Pre-Renovation Rule			
<b>Document Submitted:</b>		Tab N	
~ Form J	Yes		
24. Developments Proposing Commercial Areas			
<b>Document(s) Submitted:</b>		Tab F	
~ Detailed, square footage layout of the building and/or property identifying residential and commercial areas	Yes		
~ Time-line for complete construction showing that all commercial areas will be complete prior to the residential areas being occupied	Yes		
25. RHTCs being used to Acquire the Development			
<b>Document Submitted:</b>		Tab O	
~ Fair market appraisal (within 6 months)	Yes		
26. Rehabilitation Costs must be in Excess of \$7,000 per unit (Must be in excess of \$10,000 per unit if competing in the Preservation Set-aside)			
<b>Document Submitted:</b>		Tab O	
~ Capital Needs Assessment - Schedule H	Yes		
~ Form C			
27. Form 8821 <i>Provide only if Requested by IHFA</i>		Tab Z	
28. Minimum Underwriting Guidelines			
~ Total Operating Expenses - supported in Market Study	Yes		
~ Management Fee - 5-7% of "effective gross income" 1-50 units 7%, 51-100 units 6%, and 100+ units 5%	Yes		
~ Vacancy Rate 6-8%	YES		
~ Rental Income Growth 1-3% /yr	YES		
~ Operating Reserves - four (4) to six (6) months (Operating Expenses plus debt service)	Yes		
~ Replacement Reserves per unit New Construction: \$250 - \$300 Rehabs: \$300 - \$350	YES		
~ Operating Expense Growth 2-4% /yr	YES		
~ Stabilized debt coverage ratio 1.15 - 1.35 (Maintain at least a 1.1 throughout Compliance Period)	YES		
~ Minimum cash for Developments with no debt \$250 per unit	N/A		
<b>Document(s) Submitted:</b>		Tab A	
~ Data Supporting the operating expenses and replacement reserves	Yes		
~ Documentation of estimated property taxes & insurance	Yes		
~ Detailed explanation why development is underwriting outside these guidelines	Yes		
~ Third party documentation supporting explanation	Yes		
~ Other	Yes		
Management Agreement as Supporting doc.			
29. Grants/Federal Subsidies			
<b>Document Submitted:</b>		Tab G	
~ Explanation of how the funds will be treated in Eligible Basis, the reasonableness of the loan to be repaid, and the terms of the loan.	Yes		

30. Credits requested does not exceed the maximum credit per unit: 1-35 units = \$8,180 (QCT \$10,635) 36-60 units = \$7,670 (QCT \$9,970) 61-80 units = \$7,160 (QCT \$9,305) Over 80 units = \$6,645 (QCT \$8,640) <b>Credits requested above the maximum MUST PROVIDE:</b> ~ Clear and convincing evidence for the need of additional credits ~ Applicant has exhausted all sources of financing ~ Provide third-party documentation <b>Document Submitted:</b> ~ Letters from Lenders ~ Other (List Below): HOME loan info and Mayor's letter and TIF resolution	Yes	Tab A	
31. Request does not exceed \$750,000 and owner, developer or applicant has not received more than \$1,500,000 per year (This excludes tax exempt bonds) <b>Document Required:</b> ~ Application	Yes	Tab A	
32. Developer Fee, including consulting fee, is within guidelines <b>Document(s) Submitted:</b> ~ Deferred Development Agreement/Statement ~ Not-for-profit resolution from Board of Directors allowing a deferred payment	Yes N/A	Tab G	
33. Contractor Fee is within guidelines			
34. Development satisfies all requirements of Section 42 <b>Document(s) Submitted:</b> ~ Completed and Signed Application with certification	Yes	Tab A	
35. Private Activity Tax-Exempt Bond Financing <b>Documents Required:</b> ~ Inducement Resolution ~ Attorney's Opinion	N/A N/A		
36. Not-for-profit set-aside <b>Documents Required:</b> ~ Articles of Incorporation ~ IRS documentation 501( c)(3) ~ NFP Questionnaire	N/A N/A N/A	Tab B	
36. Additional Documents Submitted <b>List documents:</b> local entities support / TIF numbers / Mayor letter	Yes	Tab Z	
<b>2005 Indiana Housing Finance Authority Rental Housing Finance Application</b>			
<b>1. Rents Charged</b> <b>A. Lower Rents Charged</b> % at 30% Area Median Income Rents 1. 5 -10% (2 points) 2. 11% + (5 points)	5		
% at 40% Area Median Income Rents 1. 15 - 20% (2 points) 2. 21% + (5 points)	0		

<b>% at 50% Area Median Income Rents</b>			
1. 20 - 30% <b>(2 points)</b>			
2. 31 - 50% <b>(5 points)</b>			
3. 51% + <b>(10 points)</b>		10	
<b>B. Market Rate Rents</b>			
1. 5 - 10% <b>(2 points)</b>			
2. 11% + <b>(5 points)</b>		5	
<b>Subtotal (25 possible points)</b>		20	
<b>2. Contiguency Served</b>			
1. Homeless Transitional <b>(0-5 points)</b>		0	
<b>Document Required:</b> ~ written referral agreement signed and agreed to by all parties - Place in Tab R ~ Resume of organization providing services - Tab R			
2. Persons with Disabilities <b>(0-5 points)</b>		2	
<b>Document Required:</b> ~ written referral agreement signed and agreed to by all parties - Place in Tab R ~ Resume of organization providing services - Tab R			
<b>Subtotal (10 possible points)</b>		2	
<b>3. Development Characteristics</b>			
<b>A. Unit Types</b>			
1. 30% units 2 bedrooms, or <b>(2 points)</b>			
2. 45% units 2 bedrooms <b>(4 points)</b>		4	
3. 15% units 3 bedrooms, or <b>(2 points)</b>			
4. 25% units 3 bedrooms <b>(4 points)</b>		4	
5. 5% units 4 bedrooms, or <b>(2 points)</b>		0	
6. 10% units 4 bedrooms <b>(4 points)</b>		0	
7. Single Family/Duplex <b>(3 points)</b>		0	
<b>B. Development Design</b>			
1. 10 amenities in Column 1 <b>(1 point)</b>		1	
2. 5 amenities in Column 2 <b>(1 point)</b>		1	
3. 3 amenities in Column 3 <b>(1 point)</b>		1	
<b>Document Required:</b> ~ Form B - Place in Tab F			
<b>C. Universal Design Features</b>			
1. Ten (10) Universal Design Features <b>(1 point)</b>		1	
<b>Document Required:</b> ~ Form S - Place in Tab F			
<b>D. Unit Size</b>			
1. Efficiency/0 BR > 375 sq ft/Rehab 350 sq ft <b>(1 point)</b>		1	
2. 1 BR > 675 sq ft/Rehab 550 sq ft <b>(1 point)</b>		1	
3. 2 BR > 875 sq ft/Rehab 680 sq ft <b>(1 point)</b>		1	
4. 3 BR > 1075 sq ft/Rehab 900 sq ft <b>(1 point)</b>		1	
5. 4 BR + > 1275 sq ft/Rehab 1075 sq ft <b>(1 point)</b>		1	
<b>Document Required:</b> ~ Form H - Place in Tab F			



<b>E. Existing Structure</b>			
1. % of total development that was converted from a vacant structure			
25% (1 point)			
50% (2 points)			
75% (3 points)			
100% (4 points)	4		
<b>Required Document:</b>			
~ Form I - Place in Tab O			
<b>F. Development is Historic in Nature</b>			
1. Listed on the National Register of Historic Places (1 point)	1		
<b>Required Document:</b>			
~ Letter from the National Park Service or verification of listing from their website - Place in Tab U			
2. Utilizes Historic Tax Credits(2 points)	2		
<b>Required Document:</b>			
~ Copy of historic application and approved Part I Place in Tab U			
<b>G. Preservation of Existing Affordable Housing</b>			
1. RHTC that have/will Expire(3 points)	0		
<b>Required Document:</b>			
~ Statement from Applicant - Place in Tab U			
2. HUD or USDA Funded (1-3 points)	0		
<b>Required Document:</b>			
~ Letter from HUD or USDA stating priority designation Place in Tab U			
3. Revitalization Plan for a HOPE VI grant (3 points)	0		
<b>Required Document:</b>			
~ Copy of Revitalization Plan and award letter for the HOPE VI funds - Place in Tab U			
4. Preservation of any affordable housing Development (2 points)	0		
<b>Required Document:</b>			
~ Third Party documentation - Place in Tab U			
<b>E. Energy Efficiency Requirements</b>			
1. HVAC and Windows (1 point)	1		
2. Three (3) Appliances (1 point)	1		
<b>Required Document:</b>			
~ Form G & Supporting Documentation - Place in Tab F			
<b>Subtotal (35 possible points)</b>	26		
<b>4. Financing</b>			
<b>A. Government Participation</b>			
1. Up to 1% of total development costs (1 point)			
2. Over 1% - 3% of total development costs (2 points)			
3. Greater than 3% of the total development costs (3 points)	3		
<b>Required Document:</b>			
~ Letter from the appropriate authorized official approving funding and stating the amount of monetary funding Place in Tab C			
<b>B. RHTCs as Part of the Overall Financing Structure</b>			
1. 70% - 80% of total development costs (1 point)			
2. 60% - 69.99% of total development costs (2 points)			
3. < or equal to 59.99% of total development costs(3 points)	3		4.419M / 9.70M = 45%
<b>Subtotal (6 possible points)</b>	6		

TIF 3.5MM +Loan 1.495M= 4.99MM from City

<b>5. Market</b>		
<b>A. Difficult to Develop Area - QCTs (3 points)</b>	3	
<b>Required Document:</b> ~ Census Tract Map - Place in Tab I		
<b>B. Local Housing Needs</b>		
1. 1/2% -1 1/2% and does not exceed 1350 units (1.5 points)	1.5	
2. < 1/2% and does not exceed 800 units (3 points)		
<b>Required Document:</b> ~ Form F With a list of all tax credit and bond developments. Place in Tab C		
<b>C. Subsidized Housing Waiting List (2 points)</b>	2	
<b>Required Document:</b> ~ Agreement signed by both the owner and the appropriate official for the local or regional public housing representative. Place in Tab R		
<b>D. Community Revitalization Preservation (3 points)</b>	3	
<b>Required Document:</b> ~ Letter from highest local elected official - Tab U ~ Certification from Architect - Tab U ~ Hope VI approval letter from HUD - Tab U		
<b>E. Lease Purchase (1 point)</b>	0	
<b>Required Documents:</b> ~ Detailed outline of lease purchase program ~ Lease-Purchase agreement signed by all parties. Place in Tab S		
<b>Subtotal (12 possible points)</b>	9.5	
<b>6. Other</b>		
<b>A. Community Development (1-2 points)</b>	2	
<b>Required Document:</b> ~ Form R fully completed and signed by highest local official (or authorized designee) Place in Tab W		
<b>B. Minority/Women Participation (2 points)</b>	0	
<b>Required Document:</b> ~ Certification from Indiana Department of Administration Place in Tab T ~ All applicable Development, management & contractor agreements (w/fee structure) - Tab T		
<b>C. Unique Features or Circumstances (3 points)</b>	3	
<b>Required Document:</b> ~ Detailed description of all unique aspects fo the development. Place in Tab P		
<b>C. Services</b>		
1. Commitments for Moderate Services (1 point)	0	
2. Commitments for Exceptional Services (2 points)	2	
<b>Required Document:</b> ~ Written agreements signed by all parties. Place in Tab Q		
<b>D. Technical Correction Period (3 points)</b>	3	
~ Development must pass Threshold without any technical errors or incomplete information		
<b>Subtotal (12 possible points)</b>	10	

<input checked="" type="checkbox"/> Rental Housing Tax Credits (RHTC) <input type="checkbox"/> Multi-Family Tax Exempt Bonds <input type="checkbox"/> Low Income Housing Trust Fund (MUST complete Trust Fund Supplement. See Form R) <input type="checkbox"/> IHFA HOME Investment Partnerships (MUST complete HOME Supplement. See Form S)	<input type="checkbox"/> Not-for-Profit <input type="checkbox"/> Elderly <input type="checkbox"/> Small City <input checked="" type="checkbox"/> Preservation <input checked="" type="checkbox"/> Large City <input type="checkbox"/> Rural <input type="checkbox"/> Lowest Income <input type="checkbox"/> Persons with Disabilities
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**A. Development Name and Location**

- Development Name Dalton Apartments  
Street Address 121 - 137 E. 5th Avenue  
City Gary County Lake State IN Zip 46402
- Is the Development located within existing city limits? ☒ Yes ☐ No  
If no, is the site in the process or under consideration for annexation by a city? ☐ Yes ☐ No  
date: N/A
- Is development located in a Qualified Census Tract or a difficult development area? ☒ Yes ☐ No  
a. If Yes, Census Tract # 105 If No, Census Tract # \_\_\_\_\_  
b. Is development eligible for adjustment to eligible basis? ☒ Yes ☐ No
- Congressional District 106 State Senate District 3 State House District 3

**B. Funding Request (\*\* for Initial Application Only)**

- Total annual credit amount requested with this Application (Final Allocation request can not exceed amount previously approved by IHFA Board for the development) \$ 526,142
- Total annual credit amount requested from Persons with Disabilities set-aside \$ -
- Percentage of units set-aside for Persons with Disabilities 10%
- Total amount of Multi-Family Tax Exempt Bonds requested with this Application \$ -
- Total amount of IHFA HOME funds requested with this Application \$ -
- Total amount of Trust Fund loan requested with this Application \$ -
- Have any prior applications for IHFA funding been submitted for this Development? ☒ Yes ☐ No  
If yes, please list the name of the Development(s), date of prior application, type of funding request (with amount) and indicate what information has changed from the prior application. **Place information in Tab Y of the application package.**

footnotes: See Attached also placed in Tab Y

Footnote page 11 application  
To be placed in Tab Y

Information concerning changes in financing structure from last year's application.

Gary Progress Development submitted to the Indiana Housing Finance Authority the Dalton Apartments for 9% tax credits on March 17, 2004 requesting \$555,750 in annual credit amount. The financing structure has been reviewed thoroughly in order to address the concerns of commercial space and rents. This year's application, includes Pro-forma cash flows illustrating the development can be fully supported by residential income only while maintaining 1.15% debt service coverage. Another difference between last year's application and this year's application is the funding of additional proceeds from the City of Gary. The HOME loan amount has changed from \$500,000 to \$1,490,000 (already funded) and the TIF amount has changed from \$159,600 to \$248,118. Additionally, in last year's application the developer was not deferring a portion of development fee. This year in order to accommodate IFHA's concerns over commercial revenue, we are deferring \$240,450 in order to meet debt service coverage. By increasing the amount of "Other Sources" we are able reduce the amount of primary debt from \$4,100,207 to \$2,119,029. This decrease allows stronger debt service coverage and illustrates the property will cash flow without commercial revenue. The new debt service coverage begins at 1.15% and increases to 1.34% over the next 15 years.

In addition, last years application included two of the five parcels were owned by Gary Progress. This year's application all five parcels are now owned by Gary Progress Development.

8. Total annual tax credit amount requested with all applications (including this Application) submitted to the Authority in 2005 (current year) \$ 526,141 \*\*
9. Total annual tax credit amount awarded with all applications submitted to the Authority in 2005 (current year) \$ - \*\*
10. Total Multi-Family Tax Exempt Bonds requested with all applications (including this Application) submitted to the Authority in n/a (current year) n/a \*\*
11. Total Multi-Family Tax Exempt Bonds awarded with all applications submitted to the Authority in n/a (current year) n/a \*\*

**C. Types of Allocation/Allocation Year**

1. Regular Allocation

☐ All or ☐ some of the buildings in the development are expected to be placed in service                      (date). For these buildings, the Owner will request an allocation of                      (current year) credits this year for:

- ☐ New construction, or  
☐ Rehabilitation, or  
☐ Acquisition and rehabilitation.

2. Carryforward Allocation

All or some of the buildings in the development are expected to be placed in service within two years after the end of this calendar year 2005 (current year), but the Owner will have more than 10% basis in the development before the end of this year, but in any event no later than 6 months from the date of the allocation if the allocation is received within the last 6 months of the calendar year. For these buildings, the Owner will request a carryforward allocation of 2005 (current year) credits pursuant to Section 42(h)(1)(E) for:

- ☐ New construction, or  
☒ Rehabilitation, or  
☐ Acquisition and rehabilitation (even if you acquired a building this year and "placed it in service" for the purpose of the acquisition credit, you cannot receive Form 8609 for acquisition credits on the building until the year for which the Form 8609 is issued for that building once the rehabilitation work is "placed in service" in                      (Year)). See Carry Over Agreement.

3. Federal Subsidies

Federal Subsidies may include: Tax Exempt Bonds, Project Based Section 8, HOME, CDBG, Ect.

- ☐ The development will not receive federal subsidies  
☒ The development will receive federal subsidies for all buildings or some buildings

List type of federal subsidies:

City HOME loan at AFR in the amount of \$1,490,000 and City Façade of \$100,000

footnotes: Eligible basis has been reduced by City Façade Grant since grant may be backed by federal funds.

**D. Applicant/Ownership Information**

**1. Applicant Information**

Is Applicant the Owner?

☒ Yes ☐ No

Is Applicant an IHFA State Certified CHDO?

☐ Yes ☒ No

Participating Jurisdiction (non-state) Certified CHDO?

☐ Yes ☒ No

Qualified not-for-profit?

☐ Yes ☒ No

A public housing agency (PHA)?

☐ Yes ☒ No

a. Name of Organization Gary Progress Development , LLC

Contact Person Shawn Loyden

Street Address 1300 Michigan Ave.

City Gary State IN Zip 46402

Phone (727) 420-2320 Fax (866) 281-7470

E-mail Address sloyden@garyprogressdev.com

**Applicant's Resume and Financials must be attached**

b. If the Applicant is not the Owner, explain the relationship between the Applicant and the Owner.

N/A

c. Has Applicant or any of its general partners, members, shareholders or principals ever been convicted of a felony under the federal or state law of the United States? ☐ Yes ☒ No

d. Has Applicant or any of its general partners, members, shareholders or principals ever been a party (as a debtor) in a bankruptcy proceeding under the applicable bankruptcy law of the United States? ☐ Yes ☒ No

e. Has Applicant or any of its general partners, members, shareholders or principals:

1. Defaulted on any low-income housing Development(s)? ☐ Yes ☒ No

2. Defaulted on any other types of housing Development(s)? ☐ Yes ☒ No

3. Surrendered or conveyed any housing Development(s) to HUD or the mortgagor? ☐ Yes ☒ No

f. If you answered yes to any of the questions in e.1, 2, or 3 above, then please provide additional information regarding these circumstances. You may use additional sheets.

footnotes: N/A

1. Owner Information

☐ Legally formed  
☒ To be formed

a. Name of Owner Gary Progrss Development, LP

Contact Person Shawn Loyden

Street Address 1149 36th Ave. N.E.

City St. Petersburg State FL Zip 33704

Phone (727) 420-2320 Fax (866) 281-7470

E-mail Address sloyden@garyprogressdev.com

Federal I.D. No. 75-3141510

Type of entity: ☒ Limited Partnership

☐ Individual(s)

☐ Corporation

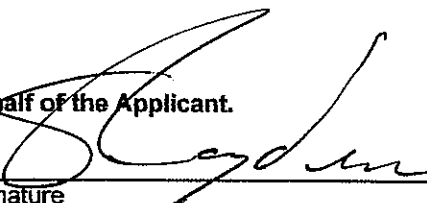
☐ Limited Liability Company

☐ Other \_\_\_\_\_

☐ Owner's Organizational Documents (e.g. partnership agreement) attached  
☒ Owner's Resume and ☒ Financials attached.

**Provide Name and Signature for each Authorized Signatory on behalf of the Applicant.**

1. Shawn Loyden General Partner  
Printed Name & Title

  
Signature

2. \_\_\_\_\_  
Printed Name & Title

\_\_\_\_\_  
Signature

3. \_\_\_\_\_  
Printed Name & Title

\_\_\_\_\_  
Signature

4. \_\_\_\_\_  
Printed Name & Title

\_\_\_\_\_  
Signature

5. \_\_\_\_\_  
Printed Name & Title

\_\_\_\_\_  
Signature

footnotes: N/A

- b. List all that have an ownership interest in Owner and the Development. Must **include** names of **all** general partners (**including the principals of each general partner if applicable**), managing member, controlling shareholders, ect.

	Name	Role	Phone #	% Ownership
General Partner (1)	Gary Progress Development	G.P.	(727) 420-2320	0.01%
Principal	Shawn Loyden	Managing mem.	(727) 420-2320	100.00%
Principal	N/A			
Principal	N/A			
General Partner (2)	N/A			
Principal	N/A			
Principal	N/A			
Principal	N/A			
Limited Partner	to be determined	L.P.		99.99%
Principal				
Principal				
Principal				

- c. Has Owner or any of its general partners, members, shareholders or principals ever been convicted of a felony under the federal or state laws of the United States? ☐ Yes ☒ No
- d. Has Owner or any of its general partners, members, shareholders or principals ever been a party (as a debtor) in a bankruptcy proceeding under the applicable bankruptcy laws of the United States? ☐ Yes ☒ No
- e. Has Owner or any of its general partners, members, shareholders or principals:
1. Defaulted on any low-income housing Development(s)? ☐ Yes ☒ No
  2. Defaulted on any other types of housing Development(s)? ☐ Yes ☒ No
  3. Surrendered or conveyed any housing Development(s) to HUD or the mortgagor? ☐ Yes ☒ No
- f. If you answered yes to any of the questions in e.1, 2, or 3 above, then please provide additional information regarding these circumstances in Tab L.

footnotes: N/A



**E. Prior Property Owner Information**

1. List the following information for the person who owned the property immediately prior to Applicant or Owner's acquisition.

Name of Organization See Attached Footnote

Contact Person \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Type of Entity: ☐ Limited Partnership ☐ Individual(s)  
☐ Corporation ☐ Other \_\_\_\_\_

2. What was the prior use of the property? Vacant Historic apartments and stores

3. Is the prior owner related in any manner to the Applicant and/or Owner or part of the development team?  
☐ Yes ☒ No

If yes, list type of relationship and percentage of interest, if applicable.

**F. Applicant/Owner Experience**

Provide a list of all developments (in all states) for which the Applicant, Owner, members, shareholders, principals, and each development team member herein have received an allocation of RHTC, Multi-family Tax Exempt Bonds, HOME Funds, 501(c)(3) Bonds, Trust Fund, and/or CDBG. Please identify whether each development was a rehabilitation of an existing development or new construction, the award amount, the funding source, and the award number (e.g. Building Identification Number (BIN), grant number, ect.) **Please Provide in Tab L.**

**G. Development Team Information**

1. Attorney Pat Holland

Firm Name Albert, Whitehead, P.C.

Phone (312) 357-6300 Fax (312) 357-6219/6200

E-mail Address pholland@awm-law.com

2. Bond Counsel (if applicable) Randy Rompola

Firm Name Baker & Daniels

Phone (574) 239-1926 Fax (574) 239-4149

E-mail Address randolph.rompola@bakerd.com

footnotes: See Attached Footnote

### Previous Ownerships

The Dalton Apartments Development is comprised of five separate parcels. The previous owners are as follows:

- ✓ The Annex, AKA: The Modern Apartments located at 133-137 E 5<sup>th</sup> Avenue, Gary, IN 46402 - Key Number: 25-44-0085-0006 was previously owned by  
Tyrone Clark and Marcedia Clark, husband and wife  
7605 Pierce PL  
Merrillville, IN 46410

- ✓ The Dalton Building located at 121-131 E 5<sup>th</sup> Avenue, Gary IN 46402 – Key Number: 25-44-0085-0005 was previously owned by:  
Harrington Properties, Inc  
1300 Michigan Street  
Gary, IN 46402

Vacant Lot located at 111-119 E 5<sup>th</sup> Avenue, Gary, IN 46402 – Key Number: 25-44-0085-0002 was previously owned by:  
Gary Urban Enterprise Association  
115 E 5<sup>th</sup> Avenue  
Gary, IN 46402

Vacant Lot located at 101-109 E 5<sup>th</sup> Avenue, Gary, IN 46402 – Key Number: 25-44-0085-0001 was previously owned by:  
Gary Urban Enterprise Association  
115 E 5<sup>th</sup> Avenue  
Gary, IN 46402

Vacant Lots located at 521-535 Massachusetts Avenue, Gary, IN 46402 – Key Number: 25-44-0085-0027 was previously owned by:  
Gary Urban Enterprise Association  
115 E 5<sup>th</sup> Avenue  
Gary, IN 46402

Footnote Development Team – page 16

The Dalton property is applying for the 9% tax credit and will utilize Tax Increment Financing (TIF). Due to Indiana state law, the financing will require taxable bonds in order to pass TIF revenue back to the mortgage holder. Therefore the financing team includes Baker & Daniels as bond counsel for the TIF revenue bonds. The bonds will not be sold to the public.

3. Developer (contact person) Shawn Loyden
- Firm Name Gary Progress Development, LLC
- Phone (727) 420-2320 Fax (866) 281-7470
- E-mail address sloyden@garyprogressdev.com
4. Accountant (contact person) Sean O'Conner
- Firm Name Dauby, O'Conner & Zaleski, LLC
- Phone (317) 848-5700 Fax (317) 815-6149
- E-mail address soconner@doz.net
5. Consultant (contact person) Bart Leary
- Firm Name Universal Structured Development, LLC
- Phone (303) 621-8904 Fax (303) 621-8906
- E-mail address bjl@usfgi.com
6. Management Entity (contact person) Jerry Burnstein
- Firm Name Residential Management Company, LLC
- Street Address 5925 East Melton Road
- City Gary State IN Zip Code 46403
- Phone (219) 939-4000 Fax (219) 939-4013
- E-mail address jcb@rmc4rent.com
7. General Contractor (contact person) Robert Coghill
- Firm Name C-A Consultants
- Phone (317) 634-3210 Fax (317) 634-3252
- E-mail address caconsultants@msn.com
8. Architect (contact person) Tarik S. El-Naggar
- Firm Name INArchitects and Planners Inc.
- Phone (219) 663-6046 Fax (219) 663-3435
- E-mail address inap@inap.com

**If the Development will be utilizing Multi-family Tax Exempt Bonds, you must provide a list of the entire development team in addition to above.**

footnotes: N/A

If any member of the development team has any financial or other interest, directly or indirectly, with another member of the development team, and/or any contractor, subcontractor, or person providing services to the Development for a fee, then a list and description of such interest(s) should be provided in TAB L. (Check appropriate box)

☒ No identities of interest

☐ Yes, identities of interest

#### H. Not-for-profit Involvement

Articles of Incorporation and IRS documentation of status must be submitted with this Application if the Owner is already formed. To qualify for the not-for-profit set-aside, 100% of the general partner ownership interest of Owner must be owned by a "qualified not-for-profit organization" (as defined in the Allocation Plan). This does not preclude qualified not-for-profits that joint venture in any other set-aside.

##### 2. Identity of Not-for-profit

The not-for-profit organization involved in this development is:

☐ the Owner

☐ the Applicant (if different from Owner)

☐ Other

Name of Not-for-profit N/A

Contact Person N/A

Address N/A

City N/A State N/A Zip N/A

Phone N/A Fax N/A

E-mail address N/A

#### I. Site Control

##### 1. Type of Site Control by Applicant

Applicant controls site by (select one of the following):\*

- ☒ Warranty Deed  
☐ Option (expiration date: \_\_\_\_\_)\*\*  
☐ Purchase Contract (expiration date: \_\_\_\_\_)\*\*  
☐ Long Term Lease (expiration date: \_\_\_\_\_)\*\*

\* If more than one site for the development and more than one form of site control, please so indicate and submit a separate sheet specifying each site, number of existing buildings on the site, if any, and type of control of each site.

\*\* Together with copy of title commitment or other information satisfactory to the Authority evidencing the identity of the current Owner of the site.

Please provide site control documentation in Tab E.

footnotes: N/A

2. Timing of Acquisition by Owner

Select One:

- ☒ Applicant is Owner and already controls site by either deed or long-term lease or
- ☐ Owner is to acquire the property by warranty deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than \_\_\_\_\_ \*

\* If more than one site for the development and more than one expected date of acquisition by Owner, please so indicate and attach a separate sheet specifying each site, number of existing buildings on the site, if any, and expected date of acquisition by Owner of each site.

3. Site Information

- a. Exact area of site in acres 1.54
- b. Is site properly zoned for your development without the need for an additional variance? ☒ Yes ☐ No  
Zoning type B3-2
- c. Are all utilities presently available to the site? ☒ Yes ☐ No
- d. Who has the responsibility of bringing utilities to the site? All Utilities are at the site  
When? \_\_\_\_\_ (month/year)
- e. Has locality approved the site plan? ☐ Yes ☒ No
- f. Has locality issued building permit? ☐ Yes ☒ No

J. Scattered Site Development

If sites are not contiguous, do all of the sites collectively qualify as a scattered site Development pursuant to IRC Section 42(g)(7)? ☐ Yes ☒ No  
(NO market rate units will be permitted)

K. Acquisition Credit Information

1. ☐ All buildings satisfy the 10-year general look-back rule of IRC Section 42(d)(2)(B) and the 10% basis/\$3000 rehab costs per unit requirement.
2. ☐ If you are requesting an acquisition credit based on an exception to this general rule [e.g. Section 42(d)(2)(D)(ii) or Section 42(d)(6)], then, other than the exception relating solely to the prior use of the property as a single family residence by the Owner, an attorney's opinion letter in a form satisfactory to the Authority must accompany this Application specifically setting forth why the buildings qualify for an exception to the 10-year rule.
3. ☐ Attorney's Opinion Letter enclosed.

L. Rehabilitation Credit Information (check whichever is applicable)

1. ☒ All buildings in the development satisfy the 10% basis requirement of IRC Section 42(e)(3)(A)(i).
2. ☒ All buildings in the development satisfy the minimum \$3000 rehab cost per unit requirement of IRC Section 42(e)(3)(A)(ii).
3. ☐ All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only).

footnotes: N/A

4. ☐ All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception to the \$3000 per unit requirement (\$2000 per unit required instead; 4% credit only).
5. ☐ Different circumstances for different buildings: see above, attach a separate sheet and explain for each building.

**M. Relocation Information.** Provide information concerning any relocation of existing tenants.

1. Does this Development involve any relocation of existing tenants? ☐ Yes ☒ No

Will existing tenants be relocated within the development during rehabilitation? ☐ Yes ☒ No

If yes to either question above, please describe the proposed relocation plan and/or assistance.  
Please provide in Tab Z.

footnotes: N/A

## N. Development Information

### 1. Rental Housing Tax Credit and/or Multifamily Tax-Exempt Bond Unit Breakdowns

Indicate if the development will be subject to additional income restrictions and/or rent restrictions:

☐ Income Restrictions (Final Application only - for Developments funded prior to 2002)

☐ Rent Restrictions

List number of units and number of bedrooms for each income category in development								
		0 Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Totals	% of Total
30 % AMI [ ] Income Restriction for Lower Income Category	# Units	0	1	3	3	0	7	12%
	# Bdrms.	0	1	6	9	0	16	12%
	Sq. Footage	0	552	785 - 825	903 - 931	0		
	Total. Sq. Footage	0	552	2,438	2,737	0	5,727	
40 % AMI [ ] Income Restriction for Lower Income Category	# Units	0	0	0	0	0	0	0%
	# Bdrms.	0	0	0	0	0	0	0%
	Sq. Footage	0	0	0	0	0		
	Total. Sq. Footage	0	0	0	0	0	0	
50 % AMI [ ] Income Restriction for Lower Income Category	# Units	0	1	11	7	0	19	33%
	# Bdrms.	0	1	22	21	0	44	32%
	Sq. Footage per Unit	0	552	682.48 - 825.9	911.17 - 985.49	0		
	Total. Sq. Footage	0	552	8,720	6,568	0	15,840	
60 % AMI [ ] Income Restriction for Lower Income Category	# Units	0	0	11	10	0	21	37%
	# Bdrms.	0	0	22	30	0	52	38%
	Sq. Footage per Unit	0	0	682.48 - 854.93	902.5 - 985.49	0		
	Total. Sq. Footage	0	0	8,434	9,192	0	17,626	
Market Rate [ ] Income Restriction for Lower Income Category	# Units	0	0	4	6	0	10	18%
	# Bdrms.	0	0	8	18	0	26	19%
	Sq. Footage per Unit	0	0	711.99 - 844.82	931.74 - 985.49	0		
	Total. Sq. Footage	0	0	3,209	5,753	0	8,962	
Market Rate [ ] Income Restriction for Lower Income Category	# Units	0	2	29	26	0	57	100%
	# Bdrms.	0	2	58	78	0	138	100%
	Sq. Footage	0	1,104	22,801	24,250	0	48,155	100%

\* No market rate units are permitted in scattered site developments per IRS Code Section 42(g)(7)

footnotes: N/A

2. Structure and Units

a. List unit type(s) and number of bedroom(s) by bedroom size.

Unit Type	0-1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Substantial Rehabilitation	2	9	4	0
Single Family (Infill) Scattered Site	0	0	0	0
Historic Rehabilitation	0	20	22	0
New Construction	0	0	0	0

b. The Development's structural features are (check all that apply):

- ☐ Row House/Townhouse      ☐ Garden Apartments      ☐ Detached Single-Family  
☐ Detached Two-Family      ☐ Slab on Grade      ☐ Basement  
☐ Crawl Space      Age of Structure 81 years  
☒ Elevator      Number of stories 1-7 story 1-3 story

c. The type(s) of unit is (are):

- ☒ Standard Residential Rental      No. of Units 57  
☐ Transient Housing for Homeless      No. of Units \_\_\_\_\_  
☐ Single Room Occupancy Housing (SRO)      No. of Units \_\_\_\_\_  
☐ Other \_\_\_\_\_      No. of Units \_\_\_\_\_

d. Gross Residential Floor Area (resident living space only) 47,839 Sq Ft.

e. Gross Common Area (hallways, community space, ect.) 26,865 Sq Ft.

f. Gross Floor Area (all buildings) [d + e] 74,703 Sq Ft.

g. Gross Commercial Floor Area (if applicable) 12,212 Sq Ft.

h. Intended Use of Commercial Area (if applicable) lease with GUEA (Tab A)

(Use additional sheets if necessary).

All commercial uses must be included in the Declaration of Extended Rental Housing Commitment. Additional information must be provided in Tab F of the application package detailing the square footage layout of the building and/or property, identifying all residential and commercial area; a time-line for complete construction showing that all commercial areas will be completed prior to the residential areas being occupied.

i. What percentage of the Development's rehabilitation or new construction, as the case may be, has been completed, based on the actual costs and expenses incurred to date as compared to the total estimated development costs?

0 % complete      Costs incurred \_\_\_\_\_

j. Total number of residential buildings in the Development: 2 building(s)

k. Will the development utilize a manager's unit (security, maintenance unit)?

☐ Yes      ☒ No  
 If yes, how will the unit be considered in the building's applicable fraction? ☐ Tax Credit Unit  
    ☐ Common Area

If yes, Number of units requested \_\_\_\_\_

**NOTE: If the manager's unit will be utilized as common area, then the unit must remain in the same building. Developments with market rate units will not be allowed to designate tax credit units as manager's, security, and/or maintenance units unless the tenant qualifies under Section 42 guidelines.**

footnotes: See Attached Footnote



Footnote Structure and Units – page 22

To date, there have been no costs incurred in rehabilitation. However, approximately \$890,000 have been expended in the acquisition, architectural, and applications that are a part of the total development costs.

3. Amenities for Low-Income Units/Development Design

b. Please list community building and common space amenities.

See Attached

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c. Please list site amenities (including recreational amenities).

See Attached

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Are the amenities including recreational amenities for both low income and market rate units the same?

☒ Yes

☐ No

If no, attach a separate sheet and explain differences in Tab P.

4. Energy Efficiency

Are all the units within the Development equipped with Energy Star related materials and appliances?

☒ Yes

☐ No

If yes, please provide documentation in Tab F of the application package.

5. Is the Development currently a vacant structure being converted into affordable housing?

☒ Yes

☐ No

If yes, please provide documentation in Tab O of the application package.

footnotes: See Attached

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3. b. The community space is located in the Dalton building. The community space will include a computer with high speed internet connection & printer, community television with cable hook up and an exercise room with exercise equipment opened to all residents. Both building common areas will include laundry facilities and external individual storage for each unit.

3. c. The site amenities include a bike rack (1 per building), wall to wall carpeting, window blinds or curtains, one parking space per unit, door bell for each unit, peep hole on exterior door for each unit, multiply floor plans per each unit, microwave in each unit, Carbon monoxide detector in each unit, and cable hook up in each unit. Additionally, there will be a security camera on all outside entrances, 100% brick exterior and emergency sprinkler system in each unit.

As previously mentioned in 3. b., the community space will include an exercise room with exercise equipment open to all residents.

#### Vacant Structure – Also placed in tab O

The Dalton Apartments consist of two buildings joined by a common wall. The “Towers” a 7 story historic brick building and the “Modern Apartments” a three story brick building, have been abandoned and in disrepair for the past 15 years. The Towers, built in the early 1920’s has significant historic value and received designation on the National Historic Register by the Department of Natural Resources in Washington D.C. The Modern Apartments adjoins the Towers, and as part of the same development, it qualifies for historic designation as a contributing structure. (See tab U – Historic and Preservation and tab I Maps- Color Photos)

The buildings together are commonly known as the Dalton Apartments. The historic status and the planned renovation make the Dalton Apartments to be eligible for State and Federal Historic Tax Credits. Care will be taken during the restoration process to ensure the original facade, woodwork, and as structural designs are preserved. Although each building will have its distinctive character, they will be blended by common features, which will tie the entire project successively with elegance and style. When completed, the project will offer a total of 57 residential units (approximately 10,000 square feet of commercial space) with secure outdoor parking for tenants.

#### 4. Building-by-Building Information

Qualified basis must be determined on a building-by-building basis. Complete this section below. Building street addresses are required by the IRS (must provide by time of final allocation request).

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.	32.	33.	34.	35.	36.	37.	38.	39.	40.	41.	42.	43.	44.	45.	46.	47.	48.	49.	50.	51.	52.	53.	54.	55.	56.	57.	58.	59.	60.	61.	62.	63.	64.	65.	66.	67.	68.	69.	70.	71.	72.	73.	74.	75.	76.	77.	78.	79.	80.	81.	82.	83.	84.	85.	86.	87.	88.	89.	90.	91.	92.	93.	94.	95.	96.	97.	98.	99.	100.	101.	102.	103.	104.	105.	106.	107.	108.	109.	110.	111.	112.	113.	114.	115.	116.	117.	118.	119.	120.	121.	122.	123.	124.	125.	126.	127.	128.	129.	130.	131.	132.	133.	134.	135.	136.	137.	138.	139.	140.	141.	142.	143.	144.	145.	146.	147.	148.	149.	150.	151.	152.	153.	154.	155.	156.	157.	158.	159.	160.	161.	162.	163.	164.	165.	166.	167.	168.	169.	170.	171.	172.	173.	174.	175.	176.	177.	178.	179.	180.	181.	182.	183.	184.	185.	186.	187.	188.	189.	190.	191.	192.	193.	194.	195.	196.	197.	198.	199.	200.	201.	202.	203.	204.	205.	206.	207.	208.	209.	210.	211.	212.	213.	214.	215.	216.	217.	218.	219.	220.	221.	222.	223.	224.	225.	226.	227.	228.	229.	230.	231.	232.	233.	234.	235.	236.	237.	238.	239.	240.	241.	242.	243.	244.	245.	246.	247.	248.	249.	250.	251.	252.	253.	254.	255.	256.	257.	258.	259.	260.	261.	262.	263.	264.	265.	266.	267.	268.	269.	270.	271.	272.	273.	274.	275.	276.	277.	278.	279.	280.	281.	282.	283.	284.	285.	286.	287.	288.	289.	290.	291.	292.	293.	294.	295.	296.	297.	298.	299.	300.	301.	302.	303.	304.	305.	306.	307.	308.	309.	310.	311.	312.	313.	314.	315.	316.	317.	318.	319.	320.	321.	322.	323.	324.	325.	326.	327.	328.	329.	330.	331.	332.	333.	334.	335.	336.	337.	338.	339.	340.	341.	342.	343.	344.	345.	346.	347.	348.	349.	350.	351.	352.	353.	354.	355.	356.	357.	358.	359.	360.	361.	362.	363.	364.	365.	366.	367.	368.	369.	370.	371.	372.	373.	374.	375.	376.	377.	378.	379.	380.	381.	382.	383.	384.	385.	386.	387.	388.	389.	390.	391.	392.	393.	394.	395.	396.	397.	398.	399.	400.	401.	402.	403.	404.	405.	406.	407.	408.	409.	410.	411.	412.	413.	414.	415.	416.	417.	418.	419.	420.	421.	422.	423.	424.	425.	426.	427.	428.	429.	430.	431.	432.	433.	434.	435.	436.	437.	438.	439.	440.	441.	442.	443.	444.	445.	446.	447.	448.	449.	450.	451.	452.	453.	454.	455.	456.	457.	458.	459.	460.	461.	462.	463.	464.	465.	466.	467.	468.	469.	470.	471.	472.	473.	474.	475.	476.	477.	478.	479.	480.	481.	482.	483.	484.	485.	486.	487.	488.	489.	490.	491.	492.	493.	494.	495.	496.	497.	498.	499.	500.	501.	502.	503.	504.	505.	506.	507.	508.	509.	510.	511.	512.	513.	514.	515.	516.	517.	518.	519.	520.	521.	522.	523.	524.	525.	526.	527.	528.	529.	530.	531.	532.	533.	534.	535.	536.	537.	538.	539.	540.	541.	542.	543.	544.	545.	546.	547.	548.	549.	550.	551.	552.	553.	554.	555.	556.	557.	558.	559.	560.	561.	562.	563.	564.	565.	566.	567.	568.	569.	570.	571.	572.	573.	574.	575.	576.	577.	578.	579.	580.	581.	582.	583.	584.	585.	586.	587.	588.	589.	590.	591.	592.	593.	594.	595.	596.	597.	598.	599.	600.	601.	602.	603.	604.	605.	606.	607.	608.	609.	610.	611.	612.	613.	614.	615.	616.	617.	618.	619.	620.	621.	622.	623.	624.	625.	626.	627.	628.	629.	630.	631.	632.	633.	634.	635.	636.	637.	638.	639.	640.	641.	642.	643.	644.	645.	646.	647.	648.	649.	650.	651.	652.	653.	654.	655.	656.	657.	658.	659.	660.	661.	662.	663.	664.	665.	666.	667.	668.	669.	670.	671.	672.	673.	674.	675.	676.	677.	678.	679.	680.	681.	682.	683.	684.	685.	686.	687.	688.	689.	690.	691.	692.	693.	694.	695.	696.	697.	698.	699.	700.	701.	702.	703.	704.	705.	706.	707.	708.	709.	710.	711.	712.	713.	714.	715.	716.	717.	718.	719.	720.	721.	722.	723.	724.	725.	726.	727.	728.	729.	730.	731.	732.	733.	734.	735.	736.	737.	738.	739.	740.	741.	742.	743.	744.	745.	746.	747.	748.	749.	750.	751.	752.	753.	754.	755.	756.	757.	758.	759.	760.	761.	762.	763.	764.	765.	766.	767.	768.	769.	770.	771.	772.	773.	774.	775.	776.	777.	778.	779.	780.	781.	782.	783.	784.	785.	786.	787.	788.	789.	790.	791.	792.	793.	794.	795.	796.	797.	798.	799.	800.	801.	802.	803.	804.	805.	806.	807.	808.	809.	810.	811.	812.	813.	814.	815.	816.	817.	818.	819.	820.	821.	822.	823.	824.	825.	826.	827.	828.	829.	830.	831.	832.	833.	834.	835.	836.	837.	838.	839.	840.	841.	842.	843.	844.	845.	846.	847.	848.	849.	850.	851.	852.	853.	854.	855.	856.	857.	858.	859.	860.	861.	862.	863.	864.	865.	866.	867.	868.	869.	870.	871.	872.	873.	874.	875.	876.	877.	878.	879.	880.	881.	882.	883.	884.	885.	886.	887.	888.	889.	890.	891.	892.	893.	894.	895.	896.	897.	898.	899.	900.	901.	902.	903.	904.	905.	906.	907.	908.	909.	910.	911.	912.	913.	914.	915.	916.	917.	918.	919.	920.	921.	922.	923.	924.	925.	926.	927.	928.	929.	930.	931.	932.	933.	934.	935.	936.	937.	938.	939.	940.	941.	942.	943.	944.	945.	946.	947.	948.	949.	950.	951.	952.	953.	954.	955.	956.	957.	958.	959.	960.	961.	962.	963.	964.	965.	966.	967.	968.	969.	970.	971.	972.	973.	974.	975.	976.	977.	978.	979.	980.	981.	982.	983.	984.	985.	986.	987.	988.	989.	990.	991.	992.	993.	994.	995.	996.	997.	998.	999.	1000.	1001.	1002.	1003.	1004.	1005.	1006.	1007.	1008.	1009.	1010.	1011.	1012.	1013.	1014.	1015.	1016.	1017.	1018.	1019.	1020.	1021.	1022.	1023.	1024.	1025.	1026.	1027.	1028.	1029.	1030.	1031.	1032.	1033.	1034.	1035.	1036.	1037.	1038.	1039.	1040.	1041.	1042.	1043.	1044.	1045.	1046.	1047.	1048.	1049.	1050.	1051.	1052.	1053.	1054.	1055.	1056.	1057.	1058.	1059.	1060.	1061.	1062.	1063.	1064.	1065.	1066.	1067.	1068.	1069.	1070.	1071.	1072.	1073.	1074.	1075.	1076.	1077.	1078.	1079.	1080.	1081.	1082.	1083.	1084.	1085.	1086.	1087.	1088.	1089.	1090.	1091.	1092.	1093.	1094.	1095.	1096.	1097.	1098.	1099.	1100.	1101.	1102.	1103.	1104.	1105.	1106.	1107.	1108.	1109.	1110.	1111.	1112.	1113.	1114.	1115.	1116.	1117.	1118.	1119.	1120.	1121.	1122.	1123.	1124.	1125.	1126.	1127.	1128.	1129.	1130.	1131.	1132.	1133.	1134.	1135.	1136.	1137.	1138.	1139.	1140.	1141.	1142.	1143.	1144.	1145.	1146.	1147.	1148.	1149.	1150.	1151.	1152.	1153.	1154.	1155.	1156.	1157.	1158.	1159.	1160.	1161.	1162.	1163.	1164.	1165.	1166.	1167.	1168.	1169.	1170.	1171.	1172.	1173.	1174.	1175.	1176.	1177.	1178.	1179.	1180.	1181.	1182.	1183.	1184.	1185.	1186.	1187.	1188.	1189.	1190.	1191.	1192.	1193.	1194.	1195.	1196.	1197.	1198.	1199.	1200.	1201.	1202.	1203.	1204.	1205.	1206.	1207.	1208.	1209.	1210.	1211.	1212.	1213.	1214.	1215.	1216.	1217.	1218.	1219.	1220.	1221.	1222.	1223.	1224.	1225.	1226.	1227.	1228.	1229.	1230.	1231.	1232.	1233.	1234.	1235.	1236.	1237.	1238.	1239.	1240.	1241.	1242.	1243.	1244.	1245.	1246.	1247.	1248.	1249.	1250.	1251.	1252.	1253.	1254.	1255.	1256.	1257.	1258.	1259.	1260.	1261.	1262.	1263.	1264.	1265.	1266.	1267.	1268.	1269.	1270.	1271.	1272.	1273.	1274.	1275.	1276.	1277.	1278.	1279.	1280.	1281.	1282.	1283.	1284.	1285.	1286.	1287.	1288.	1289.	1290.	1291.	1292.	1293.	1294.	1295.	1296.	1297.	1298.	1299.	1300.	1301.	1302.	1303.	1304.	1305.	1306.	1307.	1308.	1309.	1310.	1311.	1312.	1313.	1314.	1315.	1316.	1317.	1318.	1319.	1320.	1321.	1322.	1323.	1324.	1325.	1326.	1327.	1328.	1329.	1330.	1331.	1332.	1333.	1334.	1335.	1336.	1337.	1338.	1339.	1340.	1341.	1342.	1343.	1344.	1345.	1346.	1347.	1348.	1349.	1350.	1351.	1352.	1353.	1354.	1355.	1356.	1357.	1358.	1359.	1360.	1361.	1362.	1363.	1364.	1365.	1366.	1367.	1368.	1369.	1370.	1371.	1372.	1373.	1374.	1375.	1376.	1377.	1378.	1379.	1380.	1381.	1382.	1383.	1384.	1385.	1386.	1387.	1388.	1389.	1390.	1391.	1392.	1393.	1394.	1395.	1396.	1397.	1398.	1399.	1400.	1401.	1402.	1403.	1404.	1405.	1406.	1407.	1408.	1409.	1410.	1411.	1412.	1413.	1414.	1415.	1416.	1417.	1418.	1419.	1420.	1421.	1422.	1423.	1424.	1425.	1426.	1427.	1428.	1429.	1430.	1431.	1432.	1433.	1434.	1435.	1436.	1437.	1438.	1439.	1440.	1441.	1442.	1443.	1444.	1445.	1446.	1447.	1448.	1449.	1450.	1451.	1452.	1453.	1454.	1455.	1456.	1457.	1458.	1459.	1460.	1461.	1462.	1463.	1464.	1465.	1466.	1467.	1468.	1469.	1470.	1471.	1472.	1473.	1474.	1475.	1476.	1477.	1478.	1479.	1480.	1481.	1482.	
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5. Unit Information (Final Allocation request only)

Please provide the following unit information for each building.  
Address of Building: \_\_\_\_\_

Building Address		Total Number of Units		Total Number of Units		Total Number of Units		Total Number of Units		Total Number of Units	
1.											
2.											
3.											
4.											
5.											
6.											
7.											
8.											
9.											
10.											

footnotes: N/A

Please provide the following unit information for each building.  
Address of Building: \_\_\_\_\_

	1. Building Address	2. Building Type	3. Number of Units	4. Units Available	5. Units Occupied	6. Units Vacant	7. Units Under Construction	8. Units to be Completed	9. Units to be Demolished	10. Units to be Relocated
1.										
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										

6. Election of the Minimum Set Aside Requirement (this election is also made by the owner on IRS Form 8609): The Owner irrevocably elects **one** of the Minimum Set Aside Requirements

☐ At least 20% of the rental residential units in this Development are rent restricted and to be occupied by individuals whose income is 50% or less of the area median gross income (if this election is chosen, all tax credit units must be rented to tenants at 50% area median income or below)

☒ At least 40% of the rental residential units in this Development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

☐ Deep Rent Skewing option as defined in Section 42.

footnotes: N/A



O. Development Schedule

Activity	Anticipated Dates	Actual Dates or No Anticipation
<b>1. Site</b>		
Option/Contract		
Site Acquisition		11-18-03 & 12-1-04
Zoning		2-6-04
Site Plan Approval		1096 letter
<b>2. Financing</b>		
<b>a. Construction Loan</b>		
Loan Application		App D&K 9-1-04
Conditional Commitment		1-14-05
Firm Commitment	9-1-05	
Loan Closing	10-1-05	
<b>b. Permanent Loan</b>		
Loan Application		App D&K 9-1-04
Conditional Commitment		1-14-05
Firm Commitment	9-1-05	
Loan Closing	10-1-05	
<b>c. Other Loans and Grants</b>		
Type & Source, List <u>TIF</u>		
Application Date		1-05-04
Conditional Commitment		2-17-04
Firm Commitment	9-1-05	
<b>d. Other Loans and Grants</b>		
Type & Source, List <u>City HOME</u>		
Application Date		11-18-03
Conditional Commitment		2-4-04
Firm Commitment	9-1-05	
<b>e. Other Loans and Grants</b>		
Type & Source, List <u>City Façade Grant</u>		
Application Date		n/a
Conditional Commitment		2-4-04
Firm Commitment	9-1-05	
<b>3. Formation of Owner</b>		11-10-03
<b>4. IRS Approval of Not-for-Profit Status</b>		n/a
<b>5. Transfer of Property to Owner</b>		11-18-03 & 12-1-04
<b>6. Plans and Specifications, Working Drawings</b>		1-28-04
<b>7. Building Permit Issued by Local Government</b>	8-25-05	
<b>8. Construction Starts</b>	10-2-05	
<b>9. Completion of Construction</b>	12-1-06	
<b>10. Lease-Up</b>	4-1-07	
<b>11. Credit Placed in Service Date(s)</b> (month and year must be provided)	5-1-07	

footnotes: N/A

**P. Extended Rental Housing Commitment (Please check all that apply)**

**Tax Credit**

1. ☒ This development will be subject to the 15 year Extended Use Agreement in addition to the mandatory 15 year Compliance Period (30 years).
2. ☐ This development will be subject to an additional \_\_\_\_\_ (must be greater than 15 years) year Extended Use Agreement in addition to the mandatory 15-year Compliance Period.
3. ☐ This development will be subject to the standard 15 year Compliance Period as part of a Lease Purchase Program (all units must be single family detached structures) and will offer homeownership opportunities to qualified tenants after compliance period. See IRS Revenue Ruling 95-48 and IHFA Declaration of Extended Rental Housing Commitment.

**Q. Special Housing Needs**

1. Will this development be classified as Elderly Housing\*? ☐ Yes ☒ No
2. Identify the number of units set aside for special housing needs below\*:

Special Needs, if any	
Homeless*	
Persons with disabilities*	3

\* This requirement will be contained within the Declaration of Rental Housing Commitment recorded on the property.

**R. Community or Government Support**

1. List the political jurisdiction in which the development is to be located and the name and address of the chief executive officer thereof:

Political Jurisdiction (name of City or County) City of Gary  
Chief Executive Officer (name and title) Mayor Scott King  
Street Address 401 Broadway Suite 203  
City Gary State IN Zip 46402

2. ☒ A commitment for local government funding for this Development in the amount of \$ 4,990,000 is located in Tab C of the application package.
3. ☒ Letters from the local governing jurisdiction which states that the development supports neighborhood preservation and other organized community improvement and revitalization programs, and which describes the specific target area and the plans for its preservation and improvements is provided in Tab U of the application package.

**S. MBE/WBE Participation**

1. ☐ Minorities or woman materially participate in the Ownership, development or management of the Development by holding more than 51% interest in the Development Ownership, development entity, contractor or management firm.
2. The appropriate box(es) is checked below, and  
☐ A Certification from the State of Indiana and applicable contractor agreements with Fee Structure is provided in Tab T of the application package, and

footnotes: N/A

☐ Evidence of the minority's Ownership interest, commitment from minority and/or Owner's agreement (if Owner is not a minority) to retain a minority as developer or manager is provided in Tab T of the application package.

☐ Owner  
☐ Developer

☐ Management Entity (2 yr. min contract)  
☐ Contractor

## T. Income and Expenses

### 1. Rental Assistance

a. Do or will any low-income units receive rental assistance?

☒ Yes ☐ No

If yes, indicate type of rental assistance and attach copy of rental assistance contract, if applicable:

☐ Section 8 HAP ☐ FmHA 515 Rental Assistance  
☒ Section 8 Vouchers ☐ Other \_\_\_\_\_  
☐ Section 8 Certificates

b. Number of units (by number of bedrooms) receiving assistance:

\_\_\_\_ (1) Bedroom      \_\_\_\_ (2) Bedrooms  
\_\_\_\_ (3) Bedrooms      \_\_\_\_ (4) Bedrooms

c. Number of years rental assistance contract N/A Expiration date of contract. N/A

d. Does locality have a public housing waiting list?

☒ Yes ☐ No

If yes, you must provide the following information:

Organization which holds the public housing waiting list Gary Housing Authority

Contact person (Name and title) Theron Scissom Assisted Housing Director

Phone (219) 881-6416 fax (219) 882-9545

e. What %, if any, of the units in the Development will be set aside for tenants with HUD Section 8 certificates or vouchers or who are on public housing waiting lists? 10%

If a percentage of the units will be set aside for tenants with HUD Section 8 certificates or vouchers, please provide evidence that the developer and/or Development manager are familiar and knowledgeable with Section 8 rules and regulation; and the number and description of units to be set aside for tenants. (Please provide documentation in Tab R of the application package)

f. Has the Owner executed a written agreement with the local or regional public housing representative to give priority to households on waiting lists for subsidized or public housing? ☒ Yes ☐ No

If yes, please provide documentation in Tab R of the application package.

footnotes: N/A

2. Utilities and Rents  
a. Monthly Utility Allowance Calculations

Utilities	Type of Utility (Gas, Electric, Oil, etc.)	Utilities Paid by:		Enter Allowance Paid by Tenant ONLY				
				0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Heating		<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant	0	55	60	70	0
Air Conditioning		<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant	0	10	10	10	0
Cooking		<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant	0	7	7	9	0
Lighting		<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant	0	5	5	7	0
Hot Water		<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant	0	4	4	7	0
Water		<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	0				0
Sewer		<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	0				0
Trash		<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	0				0
Total Utility Allowance for Costs Paid by Tenant				\$ -	\$ 81.00	\$ 86.00	\$ 103.00	\$ -

b. Source of Utility Allowance Calculation

☐ HUD
 ☐ FmHA 515  
☐ PHA
 ☒ Utility Company (Provide letter from utility company)

NOTE: IRS regulations provide further guidance on how utility allowances must be determined.

c. List below the applicable rental housing tax credit monthly rent limits (based on the number of bedrooms) less the applicable utility allowance calculated in subpart 2.a. above:

Maximum Allowable Rent for Tenants at <b>30% AMI</b>		\$ 339			
Minus Utility Allowance Paid by Tenant		\$ 81			
Equals Maximum Allowable rent for your Development	\$ -	\$ 258	\$ -	\$ -	\$ -
Maximum Allowable Rent for Tenants at <b>40% AMI</b>		\$ -			
Minus Utility Allowance Paid by Tenant		\$ -			
Equals Maximum Allowable rent for your Development	\$ -	\$ -	\$ -	\$ -	\$ -
Maximum Allowable Rent for Tenants at <b>50% AMI</b>		\$ 565			
Minus Utility Allowance Paid by Tenant		\$ 81			
Equals Maximum Allowable rent for your Development	\$ -	\$ 484	\$ -	\$ -	\$ -
Maximum Allowable Rent for Tenants at <b>60% AMI</b>		\$ 678			
Minus Utility Allowance Paid by Tenant		\$ 81			
Equals Maximum Allowable rent for your Development	\$ -	\$ 597	\$ -	\$ -	\$ -

footnotes: Utilities breakdown are actuals estimates enclosed by utility Company (Tab A)

- d. List below the maximum rent limits minus tenant-paid utilities for all HOME-Assisted, Trust Fund-Assisted, and/or HOME-Eligible, Non-assisted units in the development. (i.e., Trust Fund rent limits are the same as HOME rent limits.)

	0 BR (SRO w/o kitchen and/or bath)	0 BR (SRO with kitchen and bath)	1 BR	2 BR	3 BR	4 BR
Maximum Allowable Rent for beneficiaries at <b>30% or less of area median income</b>	\$ -	\$ -	\$ 339	\$ 408	\$ 471	\$ -
MINUS Utility Allowance Paid by Tenants			\$ 81	\$ 86	\$ 103	
Maximum Allowable Rent for Your Development	\$ -	\$ -	\$ 258	\$ 322	\$ 368	\$ -
Maximum Allowable Rent for beneficiaries at <b>40% or less of area median income</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MINUS Utility Allowance Paid by Tenants						
Maximum Allowable Rent for Your Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maximum Allowable Rent for beneficiaries at <b>50% or less of area median income</b>	\$ -	\$ -	\$ 565	\$ 678	\$ 783	\$ -
MINUS Utility Allowance Paid by Tenants			\$ 81	\$ 86	\$ 103	
Maximum Allowable Rent for Your Development	\$ -	\$ -	\$ 484	\$ 592	\$ 680	\$ -
Maximum Allowable Rent for beneficiaries at <b>60% or less of area median income</b>	\$ -	\$ -	\$ 588	\$ 732	\$ 921	\$ -
MINUS Utility Allowance Paid by Tenants			\$ 81	\$ 86	\$ 103	
Maximum Allowable Rent for Your Development	\$ -	\$ -	\$ 507	\$ 646	\$ 818	\$ -

e. Estimated Rents and Rental Income

1. Total Number of Low-Income Units 7 (30% Rent Maximum)

HOME Assisted	HOME Eligible	Trust Fund Assisted	Unit Type	Number of Units	Number of Units	Monthly Rent (Unit)	Monthly Rent (Unit)	Monthly Rent (Unit)
Yes/No	Yes/No	Yes/No	# of bedrooms					
no	yes	yes	1 Bedrooms	1	1	551.99	258	\$ 258
no	yes	yes	2 Bedrooms	2	3	785 - 825	321	\$ 963
no	yes	yes	3 Bedrooms	2	3	903 - 932	367	\$ 1,101
			Bedrooms					\$ -
			Bedrooms					\$ -
			Bedrooms					\$ -
Other Income Source				Laundry / Storage				\$ 152
Other Income Source								
Other Income Source								
Total Monthly Income								\$ 2,474
Annual Income								\$ 29,688

footnotes:

The HOME units will be 50% and 30%. The number of HOME units will be 20 and the actual unit will be "Floating"

2. Total number of Low-Income Units 0 (40% Rent Maximum)

Trust Fund	HOME	RHTG	Unit Type	Number of Baths	Number of Units	Net Sq. Ft. of Unit	Monthly Rent per Unit	Total Monthly Rent Unit Type
Yes/No	Yes/No	Yes/No	# of bedrooms					
			Bedrooms					\$ -
			Bedrooms					\$ -
			Bedrooms					\$ -
			Bedrooms					\$ -
			Bedrooms					\$ -
			Bedrooms					\$ -
Other Income Source _____ Other Income Source _____ Other Income Source _____								
Total Monthly Income								\$ -
Annual Income								\$ -

3. Total number of Low-Income Units 19 (50% Rent Maximum)

Trust Fund	HOME	RHTG	Unit Type	Number of Baths	Number of Units	Net Sq. Ft. of Unit	Monthly Rent per Unit	Total Monthly Rent Unit Type
Yes/No	Yes/No	Yes/No	# of bedrooms					
no	yes	yes	1 Bedrooms	1	1	551.99	450	\$ 450
no	yes	yes	2 Bedrooms	2	11	684 - 825	592	\$ 6,512
no	yes	yes	3 Bedrooms	2	7	911 - 985	660	\$ 4,620
			Bedrooms					\$ -
			Bedrooms					\$ -
			Bedrooms					\$ -
Other Income Source <u>Laundry / Storage</u> _____ Other Income Source _____ Other Income Source _____								\$ 412
Total Monthly Income								\$ 11,994
Annual Income								\$ 143,928

footnotes: The HOME units are 50% and 30%. The number of HOME units is 20 and the actual unit will be "Floating"

4. Total number of Low-Income Units 21 (60% Rent Maximum)

Trust Fund	HOME	RHTC	Unit Type	Number of Bldgs	Number of Units	Net Sq. Ft. of Unit	Monthly Rent per Unit	Total Monthly Rent Unit Type
Yes/No	Yes/No	Yes/No	# of bedrooms					
no	no	yes	2 Bedrooms	2	3	682 - 711	600	\$ 1,800
no	no	yes	3 Bedrooms	2	8	730 - 854	615	\$ 4,920
no	no	yes	3 Bedrooms	2	4	902.5	670	\$ 2,680
no	no	yes	3 Bedrooms	2	6	911 - 985	675	\$ 4,050
			Bedrooms					\$ -
			Bedrooms					\$ -
Other Income Source				Laundry / Storage				\$ 455
Other Income Source								
Other Income Source								
Total Monthly Income								\$ 13,905
Annual Income								\$ 166,860

5. Total Number of Market Rate Units 10

Trust Fund	HOME	RHTC	Unit Type	Number of Bldgs	Number of Units	Net Sq. Ft. of Unit	Monthly Rent per Unit	Total Monthly Rent Unit Type
Yes/No	Yes/No	Yes/No	# of bedrooms					
			2 Bedrooms	2	1	711.99	630	\$ 630
			2 Bedrooms	2	3	825.9	660	\$ 1,980
			3 Bedrooms	2	6	931 - 985	695	\$ 4,170
			Bedrooms					\$ -
			Bedrooms					\$ -
			Bedrooms					\$ -
Other Income Source				Laundry / Storage				\$ 217
Other Income Source								
Other Income Source				Commercial Revenue				\$ 8,750
Total Monthly Income								\$ 15,747
Annual Income								\$ 188,964

footnotes: See Attached Footnote

Footnote Income and Expense – page 33

The Dalton Apartments has 12,211 square feet of commercial space on the main level.  
We have a letter of intent to rent the commercial space for \$8,750 per month. (see Tab A)



6. Summary of Estimated Rents and Rental Income

Annual Income (30% Rent Maximum)	\$	29,688
Annual Income (40% Rent Maximum)	\$	-
Annual Income (50% Rent Maximum)	\$	143,928
Annual Income (60% Rent Maximum)	\$	166,860
Annual Income (Market Rate Units)	\$	188,964
<b>Potential Gross Income</b>	\$	<b>529,440</b>
Less Vacancy Allowance <u>6%</u>		<u><b>31,766</b></u>
<b>Effective Gross Income</b>	\$	<b>497,674</b>

What is the estimated average annual % increase in income over the Compliance Period? 2%

U. Annual Expense Information

(Check one) ☒ Housing OR ☒ Commercial

<u>Administrative</u>		<u>Operating</u>	
1. Advertising	\$ 360	1. Elevator	\$ 7,200
2. Management	\$ 19,948	2. Fuel (heating & hot water)	\$ -
3. Legal/Partnership	\$ 800	3. Electricity	\$ 8,105
4. Accounting/Audit	\$ 2,500	4. Water/Sewer	\$ 8,240
5. Compliance Mont.	\$ 1,500	5. Gas	\$ 4,750
<b>Total Administrative</b>	<b>\$ 25,108</b>	6. Trash Removal	\$ 5,830
<u>Maintenance</u>		7. Payroll/Payroll Taxes	\$ 16,000
1. Decorating	\$ 5,000	8. Insurance	\$ 30,000
2. Repairs	\$ 20,000	9. Real Estate Taxes*	\$ 248,118
3. Exterminating	\$ 1,440	10. Other Tax	\$ 23,100
4. Ground Expense	\$ 1,700	11. Annual Replacement Reserve	\$ 17,100
5. Other	\$ 3,105	12. Other	\$ 4,260
<b>Total Maintenance</b>	<b>\$ 31,245</b>	<b>Total Operating</b>	<b>\$ 372,703</b>
<b>Total Annual Administrative Expenses:</b>	<b>\$ 25,108</b>	<b>Per Unit</b>	<b>\$ 440</b>
<b>Total Annual Maintenance Expenses:</b>	<b>\$ 31,245</b>	<b>Per Unit</b>	<b>\$ 548</b>
<b>Total Annual Operating Expenses:</b>	<b>\$ 372,703</b>	<b>Per Unit</b>	<b>\$ 6,539</b>
<b>TOTAL OPERATING EXPENSES (Administrative + Operating + Maintenance)</b>	<b>\$ 429,056</b>	<b>Per Unit</b>	<b>\$ 7,527</b>
What is the estimated average annual percentage increase in expenses for the next 15 years?		<u>3%</u>	
What is the annual percentage increase for replacement reserves for the next 15 years?		<u>3%</u>	

\* List full tax liability for the property - do not reflect tax abatement.

footnotes: This is Residential and Commercial - See Attached Footnote

# V. Projections for Financial Feasibility

Check one: ☒ Housing  
☒ Commercial

15 Year Projections of Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5
1. Potential Gross Income	\$ 529,440	\$ 540,029	\$ 550,829	\$ 561,846	\$ 573,083
2. Less Vacancy Loss	\$ (31,766)	\$ (32,402)	\$ (33,050)	\$ (33,711)	\$ (34,385)
3. Effective Gross Income (1-2)	\$ 497,674	\$ 507,627	\$ 517,780	\$ 528,135	\$ 538,698
4. Less Operating Expenses	\$ (411,956)	\$ (424,315)	\$ (437,044)	\$ (450,156)	\$ (463,660)
5. Less Replacement Reserves	\$ (17,100)	\$ (17,613)	\$ (18,141)	\$ (18,686)	\$ (19,246)
6. Plus Tax Abatement (increase by expense rate if applicable)	\$ 248,118	\$ 255,562	\$ 263,228	\$ 271,125	\$ 279,259
7. Net Income (3-4-5+6)	\$ 316,735	\$ 321,261	\$ 325,822	\$ 330,419	\$ 335,050
8.a. Less Debt Service #1	\$ 189,123	\$ 189,123	\$ 189,123	\$ 189,123	\$ 189,123
8.b. Less Debt Service #2	\$ 58,995	\$ 58,995	\$ 58,995	\$ 58,995	\$ 58,995
9. Cash Flow (7-8)	\$ 68,617	\$ 73,142	\$ 77,704	\$ 82,301	\$ 86,932
10. Debt Coverage Ratio (7/(8a+8b))	1.28	1.29	1.31	1.33	1.35
11. Deferred Developer Fee Payment	\$ 39,921	\$ 43,098	\$ 46,291	\$ 49,499	\$ 52,720
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 28,696	\$ 30,044	\$ 31,413	\$ 32,802	\$ 34,212
13. Debt Coverage Ratio	1.10	1.10	1.11	1.11	1.11
1. Potential Gross Income	\$ 584,545	\$ 596,235	\$ 608,160	\$ 620,323	\$ 632,730
2. Less Vacancy Loss	\$ (35,073)	\$ (35,774)	\$ (36,490)	\$ (37,219)	\$ (37,964)
3. Effective Gross Income (1-2)	\$ 549,472	\$ 560,461	\$ 571,671	\$ 583,104	\$ 594,766
4. Less Operating Expenses	\$ (477,570)	\$ (491,897)	\$ (506,654)	\$ (521,854)	\$ (537,509)
5. Less Replacement Reserves	\$ (19,824)	\$ (20,418)	\$ (21,031)	\$ (21,662)	\$ (22,312)
6. Plus Tax Abatement (increase by expense rate if applicable)	287636.76	296265.87	305153.84	314308.46	323737.71
7. Net Income (3-4-5+6)	\$ 339,715	\$ 344,412	\$ 349,139	\$ 353,897	\$ 358,683
8.a. Less Debt Service #1	\$ 189,123	\$ 189,123	\$ 189,123	\$ 189,123	\$ 189,123
8.b. Less Debt Service #2	\$ 58,995	\$ 58,995	\$ 58,995	\$ 58,995	\$ 58,995
9. Cash Flow (7-8)	\$ 91,597	\$ 96,293	\$ 101,021	\$ 105,779	\$ 110,564
10. Debt Coverage Ratio (7/(8a+8b))	1.37	1.39	1.41	1.43	1.45
11. Deferred Developer Fee Payment	\$ 8,921				
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 82,676	\$ 96,293	\$ 101,021	\$ 105,779	\$ 110,564
13. Debt Coverage Ratio	1.32	1.39	1.41	1.43	1.45
1. Potential Gross Income	\$ 645,384	\$ 658,292	\$ 671,458	\$ 684,887	\$ 698,585
2. Less Vacancy Loss	\$ (38,723)	\$ (39,498)	\$ (40,287)	\$ (41,093)	\$ (41,915)
3. Effective Gross Income (1-2)	\$ 606,661	\$ 618,795	\$ 631,170	\$ 643,794	\$ 656,670
4. Less Operating Expenses	\$ (553,635)	\$ (570,244)	\$ (587,351)	\$ (604,971)	\$ (623,121)
5. Less Replacement Reserves	\$ (22,981)	\$ (23,670)	\$ (24,381)	\$ (25,112)	\$ (25,865)
6. Plus Tax Abatement (increase by expense rate if applicable)	333449.84	343453.34	353756.94	364369.65	375300.73
7. Net Income (3-4-5+6)	\$ 363,496	\$ 368,334	\$ 373,196	\$ 378,080	\$ 382,985
8.a. Less Debt Service #1	\$ 189,123	\$ 189,123	\$ 189,123	\$ 189,123	\$ 189,123
8.b. Less Debt Service #2	\$ 58,995	\$ 58,995	\$ 58,995	\$ 58,995	\$ 58,995
9. Cash Flow (7-8)	\$ 115,377	\$ 120,215	\$ 125,078	\$ 129,962	\$ 134,866
10. Debt Coverage Ratio (7/(8a+8b))	1.47	1.48	1.50	1.52	1.54
11. Deferred Developer Fee Payment					
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 115,377	\$ 120,215	\$ 125,078	\$ 129,962	\$ 134,866
13. Debt Coverage Ratio	1.47	1.48	1.50	1.52	1.54

The above Projections utilize the estimated annual percentage increases in income.

footnotes:

This is Residential and Commercial - See Attached Footnote

6. Summary of Estimated Rents and Rental Income

Annual Income (30% Rent Maximum)	\$	29,688
Annual Income (40% Rent Maximum)	\$	-
Annual Income (50% Rent Maximum)	\$	143,928
Annual Income (60% Rent Maximum)	\$	166,860
Annual Income (Market Rate Units)	\$	83,964
<b>Potential Gross Income</b>	\$	424,440
Less Vacancy Allowance <u>6%</u>	\$	<u>25,466</u>
<b>Effective Gross Income</b>	\$	398,974

What is the estimated average annual % increase in income over the Compliance Period? 2%

U. Annual Expense Information

(Check one) ☒ Housing OR ☐ Commercial

<u>Administrative</u>		<u>Operating</u>	
1. Advertising	\$ 360	1. Elevator	\$ 7,200
2. Management	\$ 19,948	2. Fuel (heating & hot water)	\$ -
3. Legal/Partnership	\$ 800	3. Electricity	\$ 8,105
4. Accounting/Audit	\$ 1,550	4. Water/Sewer	\$ 8,240
5. Compliance Mont.	\$ 1,500	5. Gas	\$ 4,750
<b>Total Administrative</b>	<b>\$ 24,158</b>	6. Trash Removal	\$ 4,676
<u>Maintenance</u>		7. Payroll/Payroll Taxes	\$ 12,832
1. Decorating	\$ 4,010	8. Insurance	\$ 26,000
2. Repairs	\$ 16,040	9. Real Estate Taxes*	\$ 198,991
3. Exterminating	\$ 1,155	10. Other Tax	\$ 18,526
4. Ground Expense	\$ 1,363	11. Annual Replacement Reserve	\$ 17,100
5. Other	\$ 2,490	12. Other	\$ 3,417
<b>Total Maintenance</b>	<b>\$ 25,058</b>	<b>Total Operating</b>	<b>\$ 309,836</b>
<b>Total Annual Administrative Expenses:</b>	<b>\$ 24,158</b>	<b>Per Unit</b>	<b>\$ 424</b>
<b>Total Annual Maintenance Expenses:</b>	<b>\$ 25,058</b>	<b>Per Unit</b>	<b>\$ 440</b>
<b>Total Annual Operating Expenses:</b>	<b>\$ 309,836</b>	<b>Per Unit</b>	<b>\$ 5,436</b>
<b>TOTAL OPERATING EXPENSES (Administrative + Operating + Maintenance)</b>		<b>\$ 359,053</b>	<b>Per Unit \$ 6,299</b>
What is the estimated average annual percentage increase in expenses for the next 15 years? <u>3%</u>			
What is the annual percentage increase for replacement reserves for the next 15 years? <u>3%</u>			

\* List full tax liability for the property - do not reflect tax abatement.

footnotes: This is Residential Only - See Attached Footnote

# V. Projections for Financial Feasibility

Check one: ☒ Housing  
☐ Commercial

15 Year Projections of Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5
1. Potential Gross Income	\$ 424,440	\$ 432,929	\$ 441,587	\$ 450,419	\$ 459,428
2. Less Vacancy Loss	\$ (25,466)	\$ (25,976)	\$ (26,495)	\$ (27,025)	\$ (27,566)
3. Effective Gross Income (1-2)	\$ 398,974	\$ 406,953	\$ 415,092	\$ 423,394	\$ 431,862
4. Less Operating Expenses	\$ (341,953)	\$ (352,211)	\$ (362,778)	\$ (373,661)	\$ (384,871)
5. Less Replacement Reserves	\$ (17,100)	\$ (17,613)	\$ (18,141)	\$ (18,686)	\$ (19,246)
6. Plus Tax Abatement (increase by expense rate if applicable)	\$ 198,991	\$ 204,960	\$ 211,109	\$ 217,442	\$ 223,966
7. Net Income (3-4-5+6)	\$ 238,912	\$ 242,089	\$ 245,282	\$ 248,490	\$ 251,711
8.a. Less Debt Service #1	\$ 151,677	\$ 151,677	\$ 151,677	\$ 151,677	\$ 151,677
8.b. Less Debt Service #2	\$ 47,314	\$ 47,314	\$ 47,314	\$ 47,314	\$ 47,314
9. Cash Flow (7-8)	\$ 39,921	\$ 43,098	\$ 46,291	\$ 49,499	\$ 52,720
10. Debt Coverage Ratio (7/(8a+8b))	1.20	1.22	1.23	1.25	1.26
11. Deferred Developer Fee Payment	\$ 39,921	\$ 43,098	\$ 46,291	\$ 49,499	\$ 52,720
12. Cash Flow after Def. Dev. Fee Pmt.	\$ (0)	\$ (0)	\$ 0	\$ (0)	\$ (0)
13. Debt Coverage Ratio	1.00	1.00	1.00	1.00	1.00
1. Potential Gross Income	\$ 468,616	\$ 477,988	\$ 487,548	\$ 497,299	\$ 507,245
2. Less Vacancy Loss	\$ (28,117)	\$ (28,679)	\$ (29,253)	\$ (29,838)	\$ (30,435)
3. Effective Gross Income (1-2)	\$ 440,499	\$ 449,309	\$ 458,295	\$ 467,461	\$ 476,810
4. Less Operating Expenses	\$ (396,417)	\$ (408,309)	\$ (420,559)	\$ (433,175)	\$ (446,171)
5. Less Replacement Reserves	\$ (19,824)	\$ (20,418)	\$ (21,031)	\$ (21,662)	\$ (22,312)
6. Plus Tax Abatement (increase by expense rate if applicable)	230684.69	237605.23	244733.38	252075.38	259637.65
7. Net Income (3-4-5+6)	\$ 254,943	\$ 258,187	\$ 261,439	\$ 264,699	\$ 267,966
8.a. Less Debt Service #1	\$ 151,677	\$ 151,677	\$ 151,677	\$ 151,677	\$ 151,677
8.b. Less Debt Service #2	\$ 47,314	\$ 47,314	\$ 47,314	\$ 47,314	\$ 47,314
9. Cash Flow (7-8)	\$ 55,952	\$ 59,196	\$ 62,448	\$ 65,708	\$ 68,975
10. Debt Coverage Ratio (7/(8a+8b))	1.28	1.30	1.31	1.33	1.35
11. Deferred Developer Fee Payment	\$ 8,921				
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 47,031	\$ 59,196	\$ 62,448	\$ 65,708	\$ 68,975
13. Debt Coverage Ratio	1.23	1.30	1.31	1.33	1.35
1. Potential Gross Income	\$ 517,390	\$ 527,738	\$ 538,293	\$ 549,058	\$ 560,040
2. Less Vacancy Loss	\$ (31,043)	\$ (31,664)	\$ (32,298)	\$ (32,944)	\$ (33,602)
3. Effective Gross Income (1-2)	\$ 486,347	\$ 496,074	\$ 505,995	\$ 516,115	\$ 526,437
4. Less Operating Expenses	\$ (459,556)	\$ (473,342)	\$ (487,543)	\$ (502,169)	\$ (517,234)
5. Less Replacement Reserves	\$ (22,981)	\$ (23,670)	\$ (24,381)	\$ (25,112)	\$ (25,865)
6. Plus Tax Abatement (increase by expense rate if applicable)	267426.78	275449.58	283713.07	292224.46	300991.19
7. Net Income (3-4-5+6)	\$ 271,237	\$ 274,510	\$ 277,785	\$ 281,058	\$ 284,329
8.a. Less Debt Service #1	\$ 151,677	\$ 151,677	\$ 151,677	\$ 151,677	\$ 151,677
8.b. Less Debt Service #2					
9. Cash Flow (7-8)	\$ 119,560	\$ 122,833	\$ 126,108	\$ 129,381	\$ 132,652
10. Debt Coverage Ratio (7/(8a+8b))	1.79	1.81	1.83	1.85	1.87
11. Deferred Developer Fee Payment	\$ 47,314	\$ 47,314	\$ 47,314	\$ 47,314	\$ 47,314
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 72,246	\$ 75,519	\$ 78,794	\$ 82,067	\$ 85,338
13. Debt Coverage Ratio	1.36	1.38	1.40	1.41	1.43

The above Projections utilize the estimated annual percentage increases in income.

footnotes:

This is Residential Only - See Attached Footnote

6. Summary of Estimated Rents and Rental Income

Annual Income (30% Rent Maximum)	\$	-
Annual Income (40% Rent Maximum)	\$	-
Annual Income (50% Rent Maximum)	\$	-
Annual Income (60% Rent Maximum)	\$	-
Annual Income (Market Rate Units)	\$	105,000
<b>Potential Gross Income</b>	\$	105,000
Less Vacancy Allowance <u>20%</u>	\$	<u>21,000</u>
<b>Effective Gross Income</b>	\$	84,000

What is the estimated average annual % increase in income over the Compliance Period? 2%

U. Annual Expense Information

(Check one) ☐ Housing OR ☒ Commercial

<u>Administrative</u>		<u>Operating</u>	
1. Advertising	_____	1. Elevator	_____
2. Management	_____	2. Fuel (heating & hot water)	_____
3. Legal/Partnership	_____	3. Electricity	_____
4. Accounting/Audit	\$ 950	4. Water/Sewer	_____
5. Compliance Mont.	_____	5. Gas	_____
<b>Total Administrative</b>	\$ 950	6. Trash Removal	\$ 1,154
<b><u>Maintenance</u></b>		7. Payroll/Payroll Taxes	\$ 3,168
1. Decorating	\$ 990	8. Insurance	\$ 4,000
2. Repairs	\$ 3,960	9. Real Estate Taxes*	\$ 49,127
3. Exterminating	\$ 285	10. Other Tax	\$ 4,574
4. Ground Expense	\$ 337	11. Annual Replacement Reserve	_____
5. Other	\$ 615	12. Other	\$ 843
<b>Total Maintenance</b>	\$ 6,187	<b>Total Operating</b>	\$ 62,867
<b>Total Annual Administrative Expenses:</b>	\$ 950	<b>Per Unit</b>	\$ 17
<b>Total Annual Maintenance Expenses:</b>	\$ 6,187	<b>Per Unit</b>	\$ 109
<b>Total Annual Operating Expenses:</b>	\$ 62,867	<b>Per Unit</b>	\$ 1,103
<b>TOTAL OPERATING EXPENSES (Administrative + Operating + Maintenance)</b>	\$ 70,003	<b>Per Unit</b>	\$ 1,228
What is the estimated average annual percentage increase in expenses for the next 15 years?		<u>3%</u>	
What is the annual percentage increase for replacement reserves for the next 15 years?		<u>3%</u>	

\* List full tax liability for the property - do not reflect tax abatement.

footnotes: This is Commercial Only - See Attached Footnote

# V. Projections for Financial Feasibility

Check one: ☐ Housing  
☒ Commercial

Year Projections of Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5
1. Potential Gross Income	\$ 105,000	\$ 107,100	\$ 109,242	\$ 111,427	\$ 113,655
2. Less Vacancy Loss	\$ (21,000)	\$ (21,420)	\$ (21,848)	\$ (22,285)	\$ (22,731)
3. Effective Gross Income (1-2)	\$ 84,000	\$ 85,680	\$ 87,394	\$ 89,141	\$ 90,924
4. Less Operating Expenses	\$ (70,003)	\$ (72,104)	\$ (74,267)	\$ (76,495)	\$ (78,790)
5. Less Replacement Reserves	\$ -	\$ -	\$ -	\$ -	\$ -
6. Plus Tax Abatement (increase by expense rate if applicable)	\$ 49,127	\$ 50,601	\$ 52,119	\$ 53,683	\$ 55,293
7. Net Income (3-4-5+6)	\$ 63,124	\$ 64,178	\$ 65,246	\$ 66,330	\$ 67,428
8.a. Less Debt Service #1	\$ 37,446	\$ 37,446	\$ 37,446	\$ 37,446	\$ 37,446
8.b. Less Debt Service #2	\$ 11,681	\$ 11,681	\$ 11,681	\$ 11,681	\$ 11,681
9. Cash Flow (7-8)	\$ 13,996	\$ 15,050	\$ 16,119	\$ 17,202	\$ 18,301
10. Debt Coverage Ratio (7/(8a+8b))	1.28	1.31	1.33	1.35	1.37
11. Deferred Developer Fee Payment					
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 13,996	\$ 15,050	\$ 16,119	\$ 17,202	\$ 18,301
13. Debt Coverage Ratio	1.28	1.31	1.33	1.35	1.37
1. Potential Gross Income	\$ 115,928	\$ 118,247	\$ 120,612	\$ 123,024	\$ 125,485
2. Less Vacancy Loss	\$ (23,186)	\$ (23,649)	\$ (24,122)	\$ (24,605)	\$ (25,097)
3. Effective Gross Income (1-2)	\$ 92,743	\$ 94,598	\$ 96,490	\$ 98,419	\$ 100,388
4. Less Operating Expenses	\$ (81,153)	\$ (83,588)	\$ (86,095)	\$ (88,678)	\$ (91,339)
5. Less Replacement Reserves	\$ -	\$ -	\$ -	\$ -	\$ -
6. Plus Tax Abatement (increase by expense rate if applicable)	56952.08	58660.64	60420.46	62233.07	64100.07
7. Net Income (3-4-5+6)	\$ 68,542	\$ 69,670	\$ 70,815	\$ 71,974	\$ 73,149
8.a. Less Debt Service #1	\$ 37,446	\$ 37,446	\$ 37,446	\$ 37,446	\$ 37,446
8.b. Less Debt Service #2	\$ 11,681	\$ 11,681	\$ 11,681	\$ 11,681	\$ 11,681
9. Cash Flow (7-8)	\$ 19,414	\$ 20,543	\$ 21,687	\$ 22,847	\$ 24,022
10. Debt Coverage Ratio (7/(8a+8b))	1.40	1.42	1.44	1.47	1.49
11. Deferred Developer Fee Payment					
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 19,414	\$ 20,543	\$ 21,687	\$ 22,847	\$ 24,022
13. Debt Coverage Ratio	1.40	1.42	1.44	1.47	1.49
1. Potential Gross Income	\$ 127,994	\$ 130,554	\$ 133,165	\$ 135,829	\$ 138,545
2. Less Vacancy Loss	\$ (25,599)	\$ (26,111)	\$ (26,633)	\$ (27,166)	\$ (27,709)
3. Effective Gross Income (1-2)	\$ 102,396	\$ 104,443	\$ 106,532	\$ 108,663	\$ 110,836
4. Less Operating Expenses	\$ (94,079)	\$ (96,901)	\$ (99,808)	\$ (102,802)	\$ (105,887)
5. Less Replacement Reserves	\$ -	\$ -	\$ -	\$ -	\$ -
6. Plus Tax Abatement (increase by expense rate if applicable)	66023.07	68003.76	70043.87	72145.19	74309.55
7. Net Income (3-4-5+6)	\$ 74,340	\$ 75,546	\$ 76,768	\$ 78,006	\$ 79,259
8.a. Less Debt Service #1	\$ 37,446	\$ 37,446	\$ 37,446	\$ 37,446	\$ 37,446
8.b. Less Debt Service #2	\$ 11,681	\$ 11,681	\$ 11,681	\$ 11,681	\$ 11,681
9. Cash Flow (7-8)	\$ 25,212	\$ 26,419	\$ 27,641	\$ 28,878	\$ 30,132
10. Debt Coverage Ratio (7/(8a+8b))	1.51	1.54	1.56	1.59	1.61
11. Deferred Developer Fee Payment					
12. Cash Flow after Def. Dev. Fee Pmt.	\$ 25,212	\$ 26,419	\$ 27,641	\$ 28,878	\$ 30,132
13. Debt Coverage Ratio	1.51	1.54	1.56	1.59	1.61

The above Projections utilize the estimated annual percentage increases in income.

footnotes:

This is Commercial Only - See Attached Footnote

The FHA mortgage will be one mortgage with two components. The first component is the Real Estate underwritten portion and the second portion is the TIF or Tax Increment Financing portion. (See Lender's Letter) In order to pass TIF revenue through to the mortgage holder, the financing includes taxable bonds in the amount of the TIF portion. The TIF bonds will include a series A bond and a series B bond. The revenue from the series A bond will be paid to the FHA mortgage loan. The revenue from the series B bond will be based on cash flow and the amount will be the difference of the total TIF revenue 248,118 and the FHA debt service \$189,123 or \$58,995. The purpose of the cash flow bond was to accommodate IFHA's concern over commercial revenue. Although, the cash flow bond would be below line 10 in the IFHA mode, we included the debt service above the line, in order to illustrate the HOME loan can be paid. Additionally, since it is our intent to pay down the HOME loan as soon as possible, we anticipate the actual cash flow payment to be greater then \$58,995 utilizing commercial revenue. The term of the TIF bond is 20 years. The bonds will not be sold to the public, but rather will be held by a bond trustee who will retire the bonds per a bond amortization schedule. The City of Gary will be the bond issuer and passed a bond ordinance on Feb. 17, 2004. The TIF bond amortization schedule will be structured to include real estate tax increases.

Additionally, we anticipate the deferred development fee to be actually paid within 2 years utilizing commercial revenue. Again, however, in order to illustrate the deferred can be paid by residential income only, we included the deferred development fee only in the residential and total pro-formas.

We included a 15 year pro forma for both residential and commercial and a separate pro forma which illustrates total residential income (No commercial) can support both residential and commercial operating expenses, beginning with debt service coverage of 1.15%.( See pro-forma cash flow in tab A)

**Commercial and Office Space:** IHFA Rental Housing financing resources cannot be used to finance commercial space within a development. Income generated and expenses incurred from this space, though, must be factored into IHFA's underwriting for the development as a whole when reviewing the application. If the development involves the development of commercial space the applicant will need to provide separate annual operating expense information and a separate 15-year proforma for the commercial space. Be sure to label which forms are for the housing and which ones are for the commercial space. Also separate out all development costs associated with the commercial space on line M of the Development Costs chart.

**W. Sources of Funds/Developments (Include any IHFA HOME and/or Trust Fund requests)**

1. Construction Financing. List individually the sources of construction financing including any such loans financed through grant sources. Please provide documentation in Tab G.

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name and Telephone Number of Contact Person
1 City of Gary HOME funds		Awarded	\$ 600,000	Letty Almodovar 219-881-5075
2 City of Gary HOME funds		Received	\$ 890,000	Same
3				
4				
Total Amount of Funds			\$ 1,490,000	

2. Permanent Financing. List individually the sources of permanent financing including any such loans financed through grant sources. Please provide documentation in Tab G.

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Interest Rate	Term	Amortization
1 FHA Mortgage Loan	9/1/2004	9/1/2005	\$ 2,119,029	\$189,123	5.750%	20-40
2						
3						
4						
Total Amount of Funds			\$ 2,119,029			
Deferred Developer Fee			\$ 240,450			

3. Grants. List all grants provided for the development. Provide documentation in Tab G.

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name and Telephone Number of Contact Person
1 City of Gary Façade Grant	n/a	9/1/2005	\$ 100,000	Mayor Scott King 219-881-1301
2				
3				
4				
Total Amount of Funds			\$ 100,000	

footnotes: See Tab G



Total Sources of Permanent Funds Committed      \$      2,119,029

Total Annual Debt Service Cost      \$      189,123

#### 4. Historic Tax Credits

Have you applied for a Historic Tax Credit?

☒ Yes      ☐ No

If Yes, Please list amount      \$1,464,370 es

If Yes, indicate date Part I of application was duly filed:      Feb. 19 2004 ( Must be included with application. Please provide in Tab U.)

#### 5. Other Sources of Funds (excluding any syndication proceeds)

a. Source of Funds      N/A      Amount      N/A

b. Timing of Funds      N/A

c. Actual or Anticipated Name of Other Source      N/A

d. Contact Person      N/A      Phone      N/A

#### 6. Sources and Uses Reconciliation

Limited Partner Equity Investment*	\$	4,419,150
General Partner Investment	\$	100
Total Equity Investment	\$	4,419,250
Total Permanent Financing	\$	2,119,029
Deferred Developer Fee	\$	240,450
Other <u>City HOME/Façade</u>	\$	1,590,000
Other <u>Historic Credits</u>	\$	1,332,577
 Total Source of Funds	\$	9,701,306
 Total Uses of Funds	\$	9,701,306

**NOTE: Sources and Uses MUST EQUAL**

\*Load Fees included in Equity Investment

Load Fees      approx. 22k

☒ Yes      ☐ No

footnotes:      The HOME funds have already been Awarded.

7. Intermediary Information

a. Actual or Anticipated Name of Intermediary  
(e.g., Syndicator, act.) Alliant Capital

Contact Person David Saltzman / Pete Dwars

Phone (818) 668-2880

Street Address 21600 Oxnard St. Suite 1200

City Woodland Hills State CA Zip 91367

b. Investors: Individuals and/or Corporate, or undetermined at this time

c. As a percentage of the total credits to be received throughout the compliance period (assuming no recapture, should be the annual amount of credit times 10), how much are investors (excluding Owner's own equity) willing to invest toward development costs, excluding all syndication fees or charges? 84.0%

☒ check if estimated ☐ check if based on commitment(s); if so please attach copies

d. Has the intermediary (identified above) provided you with any documentation regarding the amount of syndication or other intermediary costs, fees, "loads" or other charges it will impose in with its services?

☐ Yes ☒ No If yes, please attach copies

e. How much, if any, is the Owner willing or committed to invest toward Development Costs?

\$ 100 **Evidence of investment must be provided to IHFA.**

8. Tax-Exempt Bond Financing/Credit Enhancement

a. If Multi-family Tax Exempt Bonds are requested, list percent such bonds represent of the aggregate basis of the building and land of the development: \_\_\_\_\_

If this percentage is 50% or more , a formal allocation of credits from IHFA is not necessary (although the development must satisfy and comply with all requirements for an allocation under this Allocation Plan and Section 42 of the Code. The Issuer of the bonds must determine the maximum amount of credits available to the development which, just as for developments which do need allocation, is limited to the amount of credits necessary to make the development financially feasible). AT THE TIME OF SUBMITTING THIS APPLICATION, YOU MUST PROVIDE IHFA WITH AN OPINION OF COUNSEL, SATISFACTORY TO IHFA, THAT YOU ARE NOT REQUIRED TO OBTAIN AN ALLOCATION OF TAX CREDITS FROM IHFA AND THAT THE DEVELOPMENT MEETS THE REQUIREMENTS OF THE ALLOCATION PLAN AND CODE.

footnotes: N/A

b. Name of Issuer \_\_\_\_\_  
Street Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone Number \_\_\_\_\_ Fax Number \_\_\_\_\_

c. Name of Borrower \_\_\_\_\_  
Street Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone Number \_\_\_\_\_ Fax Number \_\_\_\_\_

If the Borrower is not the Owner, explain the relationship between the Borrower and Owner.

**If Development will be utilizing Multi-family Tax Exempt Bonds, you must provide a list of the entire development team in addition to above.**

d. Does any of your financing have any credit enhancement? ☒ Yes ☐ No  
If yes, list which financing and describe the credit enhancement:  
FHA/GNMA \*

e. Is HUD approval for transfer of physical asset required? ☐ Yes ☒ No  
If yes, provide copy of TPA request to HUD.

f. Is the Development a federally assisted low-income housing Development with at least 50% of its units in danger of being removed by a federal agency from the low-income housing market due to eligible prepayment, conversion, or financial difficulty? ☐ Yes ☒ No  
If yes, please provide documentation in Tab U of the application package.

footnotes: Since the TIF pays the majority of debt service we would like the flexibility for our lender to also consider a bank loan. (less expensive and more timely)

## X. Cost/Basis/Maximum Allowable Credit

### 1. Development Costs - List and Include Eligible Basis by Credit Type

Itemized Cost	Eligible Basis by Credit Type		
	Project Costs	10% BV 2% Credit	70% BV 14% Credit
<b>a. To Purchase Land and Bldgs.</b>			
1. Land	400,000		
2. Demolition	0		
3. Existing Structures	850,000		
4. Other (specify)	0		
<b>b. For Site Work</b>			
1. Site Work (not included in Construction Contract)	0		
Other(s) (Specify)	0		
<b>c. For Rehab and New Construction (Construction Contract Costs)</b>			
1. Site Work	0		0
2. New Building	0		0
3. Rehabilitation	5,557,797		5,582,797
4. Accessory Building	0		0
5. General Requirements*	110,156		110,156
6. Contractor Overhead*	110,156		110,156
7. Contractor Profit*	165,234		165,234
<b>d. For Architectural and Engineering Fees</b>			
1. Architect Fee - Design	208,725		208,725
2. Architect Fee - Supervision	50,000		50,000
3. Consultant or Processing Agent	0		0
4. Engineering Fees	110,156		110,156
5. Other Fees (specify)			
<b>e. Other Owner Costs</b>			
1. Building Permits	25,000		25,000
2. Tap Fees	0		0
3. Soil Borings	0		0
4. Real Estate Attorney	0		0
5. Construction Loan Legal	0		0
6. Title and Recording	48,658		48,658
7. Other (specify)			
cost cert. Accountant, survey, RE taxes TIF	94,500		45,000

\* Designates the amounts for those items that are limited, pursuant to the Allocation Plan

footnotes: N/A

ITEMIZED COST	Eligible Basis by Credit Type		
	Project Costs	30% PV (4% Credit)	70% PV (9% Credit)
Subtotal from Previous Page	7,140,382	0	6,485,382
<b>f. For Interim Costs</b>			
1. Construction Insurance	16,400		16,400
2. Construction Interest & Other Capitalized Operating Expenses	81,229		81,229
3. Construction Loan Orig. Fee	0		0
4. Construction Loan Credit Enhancement	0		0
5. Taxes/Fixed Price Contract Guarantee	0		0
<b>g. For Permanent Financing Fees &amp; Expenses</b>			
1. Bond Premium	0		
2. Credit Report	0		
3. Permanent Loan Orig. Fee	42,381		
4. Permanent Loan Credit Enhancement	21,190		
5. Cost of Iss/Underwriters Discount	0		
6. Title and Recording	0		
7. Counsel's Fee	70,000		
8. Other (Specify) TIF, FHA, legal etc	84,142		
<b>h. For Soft Costs</b>			
1. Property Appraisal	15,000		15,000
2. Market Study	11,000		11,000
3. Environmental Report	5,500		5,500
4. IHFA Fees	34,000		0
5. Consultant Fees	0		0
6. Other (specify)			
<b>i. For Syndication Costs</b>			
1. Organizational (e.g. Partnership)	5,000		
2. Bridge Loan Fees and Exp	0		
3. Tax Opinion			
4. Other (specify)	22,000		
<b>j. Developer's Fee*</b>			
% Not-for Profit			
15 % For-Profit	1,122,202		1,122,202
<b>k. For Development Reserves</b>			
1. Rent-up Reserve	150,381		
2. Operating Reserve	290,499		
<b>Total Project Costs</b>	<b>7,712,949</b>		<b>7,712,949</b>

\* Designates the amounts for those items that are limited, pursuant to the Allocation Plan.

footnotes: N/A

ITEMIZED COST	Eligible Basis by Credit Type		
	Project Costs	30% PV (1% Credit)	70% PV (2% Credit)
Subtotal from Previous Page	9,701,306	0	7,707,219
m. Total Commercial Costs*	550,000		
n. Total Dev. Costs less Comm. Costs (l-m)	9,151,306		
o. Reductions in Eligible Basis Subtract the following:			
1. Amount of Grant(s) used to finance Qualifying development costs			100,000
2. Amount of nonqualified recourse financing			0
3. Costs of nonqualifying units of higher quality (or excess portion thereof)			0
4. Historic Tax Credits (residential portion)			1,464,370
5. Subtotal (o.1 through 4 above)	0	0	1,564,370
p. Eligible Basis (ll minus o.5)		0	6,142,843
q. High Cost Area Adjust to Eligible Basis (ONLY APPLICABLE IF development is in a Census Tract or difficult development area) Adjustment Amount X 30%			1,842,853
r. Adjusted Eligible Basis (p plus q)		0	7,985,696
s. Applicable Fraction (% of development which is low income) Based on Unit Mix or Sq Ft. (Type U or SF)		82.46%	82.46%
t. Total Qualified Basis (r multiplied by s)		0	6,585,005
u. Applicable Percentage (weighted average of the applicable percentage for each building and credit type)			7.99%
v. Maximum Allowable Credit under IRS sec 42 (t multiplied by u)		0	526,142
w. Combined 30% and 70% PV Credit	526,142		

\* Commercial costs are defined as those costs that are not eligible basis and are attributed to non-residential areas of the Development (e.g. retail area of mixed-use development).

**Note:** The actual amount of credit for the Development is determined by IHFA. If the Development is eligible for Historic Tax Credit, include a complete breakdown of the determination of eligible basis for the Historic Credit with the Application. If the Development's basis has been adjusted because it is in a high cost or qualified census tract, the actual deduction for the Historic Cost items must be adjusted by multiplying the amount by 130%. This does not apply to Historic Tax Credits.

footnotes: N/A

## 2. Determination of Reservation Amount Needed

The following calculation of the amount of credits needed is substantially the same as the calculation which will be made by IHFA to determine, as required by the IRC, the maximum amount of credits which may be reserved for the Development. However, IHFA at all times retains the right to substitute such information and assumptions as are determined by IHFA to be reasonable for the information and assumptions provided herein as to costs (including development fees, profits, etc.) sources of funding, expected equity, etc. Accordingly, if the development is selected by IHFA for a reservation of credits, the amount of such reservation may differ significantly from the amount that is computed below.

a. TOTAL DEVELOPMENT COSTS	\$ 9,701,306
b. LESS SYNDICATION COSTS	\$ 27,000
c. TOTAL DEVELOPMENT COSTS (a - b)	\$ 9,674,306
d. LESS: TOTAL SOURCES OF FUNDING EXCLUDING SYNDICATION PROCEEDS	\$ 5,041,606
e. EQUITY GAP (c - d)	\$ 4,632,700
f. EQUITY PRICING PERCENTAGE (Percentage of 10-year credit expected to be personally invested by you or raised as equity excluding syndication or similar costs to 3rd parties)	\$ 0.84
g. 10-YEAR CREDIT AMOUNT NEEDED TO FUND THE EQUITY GAP (e/f)	\$ 5,515,119
h. ANNUAL TAX CREDIT REQUIRED TO FUND EQUITY GAP (g/10)	\$ 551,512
i. MAXIMUM ALLOWABLE CREDIT AMOUNT	\$ 526,142
j. RESERVATION AMOUNT (Lesser of h or i)	\$ 526,142
k. TOTAL EQUITY INVESTMENT (anticipated for initial app)	\$ 4,419,250
l. DEFERRED DEVELOPER FEE	\$ 240,450
m. FINANCIAL GAP	\$ -27,000
1. CREDIT PER UNIT (j/Number of Units)	\$ 9231
2. CREDIT PER BEDROOM (j/Number of Bedrooms)	\$ 3813
3. COST PER UNIT a - (Cost of Land + Commercial Costs + Historic Credits) Total Number of Units	\$ 127,841

footnotes: N/A

The undersigned hereby acknowledges that :

1. This Application form, provided by IHFA to applicants for funding, including the sections herein relative to basis, credit calculations and determinations of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of IHFA in reviewing the reservation requests; completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority;
2. The undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings; that it will in all respects satisfy all applicable requirements of federal tax laws and any other requirements imposed upon it by the IHFA; and that the IHFA has no responsibility that all or any funding allocated to the development may not be useable or may later be recaptured;
3. For purposes of reviewing this Application, IHFA is entitled to rely upon the representation of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relating to the determinations of qualified basis for the development as a whole and for each building therein individually as well as the amounts and types of credit applicable thereto, and that the issuance of a reservation based on such representations in no way imposes any responsibility on the IHFA for their correctness or compliance with IRC requirements;
4. The IHFA offers no advise, opinion or guarantee that the Applicant or the proposed development will ultimately qualify for or receive low-income housing tax credits, Multi-family tax exempt Bonds, HOME, 501( c)3 Bonds;
5. Allocations of funding are not transferable without prior written notice of the IHFA; and
6. The requirements for applying for funding and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or IHFA regulations, or other binding authority.
7. Applicant is submitting this Application on behalf of Owner, whether Owner has already been formed or is a to-be-formed entity.
8. Applicant represents and warrants to IHFA that it has all necessary authority to act for, obligate and execute this Application on behalf of itself and Owner, and to engage in all acts necessary to consummate this Application. Applicant further represents and warrants to IHFA that the signatories hereto have been duly authorized and that this Application shall be valid and binding act of the Applicant, enforceable according to its terms.
9. In the event the Applicant is not the Owner, Applicant represents and warrants to IHFA that it will take, and not fail to take, any and all necessary to cause the Owner to ratify and confirm and comply with the terms and conditions of this Application.
10. Applicant represents and warrants to IHFA that it will take any and all action necessary and not fail to cause the Developer to ratify and confirm and comply with the terms and conditions of this Application

Further, the undersigned hereby certifies that:

- a) All factual information provided herein or in connection herewith is true, correct and complete, and all estimates are reasonable;
- b) It shall promptly notify the IHFA of any corrections or changes to the information submitted to the IHFA in connection with this Application upon becoming aware of same;
- c) It is responsible for all calculations and figures to the determination of the eligible basis and qualified basis for any and all buildings and other improvements, and it understands and agrees that the amount of funding to be reserved and allocated has been calculated pursuant to and in reliance upon the representations made within;



- d) It will at all times indemnify and hold harmless IHFA against claims, losses, costs, damages, expenses and liabilities of any nature (including, without limitation, attorney fees and attorney fees to enforce the indemnity rights hereunder) directly or indirectly resulting from, arising out of or relating to IHFA's acceptance, consideration, approval or disapproval of this Application and the issuance or non-issuance of an allocation of funding in connection herewith.
- e) It shall furnish the IHFA with copies of any and all cost certifications made to any other governmental agency, including, but not limited to, cost certifications made to FmHA or FHA, at the time that such certifications are furnished to such other agency.
7. Applicant hereby authorizes IHFA and its successors, affiliates, agents and assigns to utilize in any manner and at anytime, any photograph, picture, or other medium (collectively "photographs") of the property covered by this Application, without limitation, in any and all matters, publications, or endeavors, commercial or noncommercial, undertaken directly or indirectly by IHFA at any time on or after the date of this Application without any limitation whatsoever. Applicant understands that: (1) it is relinquishing any and all ownership rights in any such photograph, picture or medium to IHFA; and (ii) it is relinquishing any and all legal rights that it may now or hereafter have to, directly or indirectly, challenge, question or otherwise terminate the use of the photograph by IHFA.
8. DISSEMINATION OF INFORMATION and AGREEMENT TO RELEASE AND INDEMNIFY. The undersigned for and on behalf of itself, the Development, Owner and all participants in the Development, together with their respective officers, directors, shareholders, members, partners, agents, representatives, and affiliates (collectively, "Applicant") understands, acknowledges and agrees that this and any application for Rental Housing Tax Credits ("Credits") (including, but not limited to, all preliminary final Applications, related amendments and information in support thereof and excepting personal financial information) are available for dissemination and publication to the general public.

In addition, as additional consideration for IHFA's review of its request for Credits, the Applicant does hereby release IHFA and its directors, employees, attorneys, agents and representatives of and from any and all liability, expense (including reasonable attorney fees) and damage that it may, directly or indirectly, incur because of such dissemination or publication, and the Applicant hereby agrees to indemnify and hold IHFA harmless of and from any and all such liability, expense or damage.

IN WITNESS WHEREOF, the undersigned, being duly authorized, has caused this document to be executed in its name on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

**APPLICANT IS NOT OWNER**

\_\_\_\_\_  
Legal Name of Applicant

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

Before me, a Notary Public, in and for said County and State, personally appeared, Shawn Loyden  
(the Managing Member of Gary Prog. Dev. LLC ), the Applicant in the foregoing Application for Reservation  
of 2005 (current year) funding, who acknowledged the execution of the foregoing instrument as his (her)  
voluntary act and deed, and stated, to the best of his (her) knowledge and belief, that any and all representations  
contained therein are true.

Witness my hand and Notarial Seal this 18 day of February, 2005.

My Commission Expires:

Oct. 12, 2012

Anna F. Davis  
Notary Public

My County of Residence:

LAKE

ANNA F. DAVIS  
Printed Name  
(title)

APPLICANT IS OWNER

Gary Progress Development, LLC  
Legal Name of Applicant

By: Shawn Loyden

Printed Name: Shawn Loyden

Its: Managing Member

STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

Before me, a Notary Public, in and for said County and State, personally appeared, Shawn Loyden  
(the Managing Member of Gary Progress Dev. LLC), the Applicant in the foregoing Application for Reservation  
of 2005 (current year) funding, who acknowledged the execution of the foregoing instrument as his (her)  
voluntary act and deed, and stated, to the best of his (her) knowledge and belief, that any and all representations  
contained therein are true.

Witness my hand and Notarial Seal this 18 day of February, 2005.

My Commission Expires:

Oct. 12, 2012

Anna F. Davis  
Notary Public

My County of Residence:

LAKE

ANNA F. DAVIS  
Printed Name  
(title)

## **Z. Statement of Issuer/Applicant (For Multi-family Tax Exempt Bonds only)**

The undersigned hereby acknowledges that :

1. This Application form, provided by IHFA to applicants for tax credits and tax-exempt bonds, including the sections herein relative to basis, credit calculations and determinations of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of IHFA in reviewing the reservation requests; completion hereof in no way guarantees eligibility for the credits or bonds or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority;
2. The undersigned is responsible for ensuring that the proposed bond issue will in all respects satisfy all applicable requirements of federal tax laws and any other requirements imposed upon it by the IHFA; and that the IHFA has no responsibility that all or any of the funds allocated to the Development may not be useable or may later be recaptured;
3. For purposes of reviewing this Application, IHFA is entitled to rely upon the representation of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relating to the determinations of qualified basis for the development as a whole and for each building therein individually as well as the amounts and types of credit applicable thereto, and that the issuance of a reservation based on such representations in no way imposes any responsibility on the IHFA for their correctness or compliance with IRC requirements;
4. IHFA may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested;
5. The IHFA offers no advice, opinion or guarantee that the Issuer or the proposed development will ultimately qualify for or receive funds;
6. Reservations of funds are not transferable without prior written consent of IHFA;
7. If the IHFA believes, in its sole discretion, that the Development will not be completed or that any condition set forth in the Application will not be satisfied within the required time period, or will become unsatisfied or will otherwise cause the Development to fail to qualify for a Bond allocation, the Issuer agrees that the IHFA may rescind and retrieve any funds allocated to the Issuer. The Issuer acknowledges that all terms, conditions, obligations and deadlines set forth in this Application constitute conditions precedent to any allocation of funds, and the Development's failure to comply with any of such terms and conditions shall entitle the IHFA, in its sole discretion, to deem the allocation canceled by mutual consent. After any such cancellation, the Issuer acknowledges that neither it nor the Development will have any right to claim funds. The IHFA reserves the right, in its sole discretion, to modify and/or waive any such failed condition precedent, so long as such waiver does not violate any Code requirements relating to the Development;
8. The requirements for applying for funds and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or IHFA regulations, or other binding authority; and
9. Reservations may be subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of the required Application and reservation fees.
10. Applicant is submitting this Application on behalf of Owner, whether Owner has already been formed or is to-be-formed entity.
11. Applicant represents and warrants to IHFA that it has all necessary authority to act for, obligate and execute this Application on behalf of itself and Owner, and to engage in all acts necessary to consummate this Application. Applicant further represents and warrants to IHFA that the signatories hereto have been duly authorized and that this Application shall be the valid and binding act of the Applicant, enforceable according to its terms.
12. In the event Applicant is not the Owner, Applicant represents and warrants to IHFA that it will take, and not fail to take, any and all action necessary to cause the Owner to ratify and confirm and comply with the terms and conditions of this Application.
13. Applicant represents and warrants to IHFA that it will take any and all action necessary and not fail to cause the Developer to ratify and confirm and comply with the terms and conditions of this Application.

Further, the undersigned certifies that :

- a) All factual information provided herein or in connection herewith is true, correct, and complete, and all estimates are reasonable;
- b) It shall promptly notify the IHFA of any corrections or changes to the information submitted to the IHFA in connection with this Application upon becoming aware of same;
- c) It is responsible for all calculations and figures relating to the determination of the eligible basis and qualified basis for any and all buildings and other improvements, and it understands and agrees that the amount of funds to be reserved and allocated has been calculated pursuant to and in reliance upon the representations made herein; and
- d) It will at all times indemnify and hold harmless IHFA against all claims, losses, costs, damages, expenses and liabilities of any nature (including, without limitations attorney fees and attorney fees to enforce the indemnity rights hereunder) directly or indirectly resulting from, arising out of or relating to IHFA's acceptance, consideration, approval or disapproval of this Application and the issuance or non-issuance of an allocation of funds in connection herewith.

IN WITNESS WHEREOF, the undersigned, being duly authorized, has caused this document to be executed in its name on this 18 day of February, 2005

Gary Progress Development, LLC

Legal Name of Issuer

By: [Signature]

Printed Name: Shawn Loyden

Its: Managing Member

STATE OF INDIANA )

) SS:

COUNTY OF Lake )

Before me, a Notary Public, in and for said County and State, personally appeared, Shawn Loyden  
(the Managing Member of Gary Progress Dev. LLC), the Applicant in the foregoing Application for Reservation  
of 2005 (current year) funding, who acknowledged the execution of the foregoing instrument as his (her)  
voluntary act and deed, and stated, to the best of his (her) knowledge and belief, that any and all representations  
contained therein are true.

Witness my hand and Notarial Seal this

18 day of Feb., 2005.

My Commission Expires:

Oct. 12, 2012

My County of Residence:

Lake

Anna F. Davis  
Notary Public

ANNA F. DAVIS  
Printed Name  
(title)